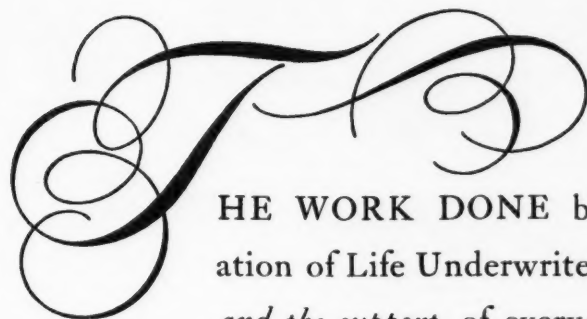


The NATIONAL UNDERWRITER

Life Insurance Edition

2

2nd CONVENTION DAILY



THE WORK DONE by the National Association of Life Underwriters deserves the gratitude, and the support, of everyone engaged in the field of life insurance selling.

Four hundred and twenty Union Central men and women are members of the National Association of Life Underwriters.

Forty-three of them are officers in local or state Associations.

Fifteen are members of National Committees.

Two hold National Office.

We at The Union Central are proud of our representatives who have contributed to the growth of the National Association and the attainment of its aims.

W. Howard Cox
President.

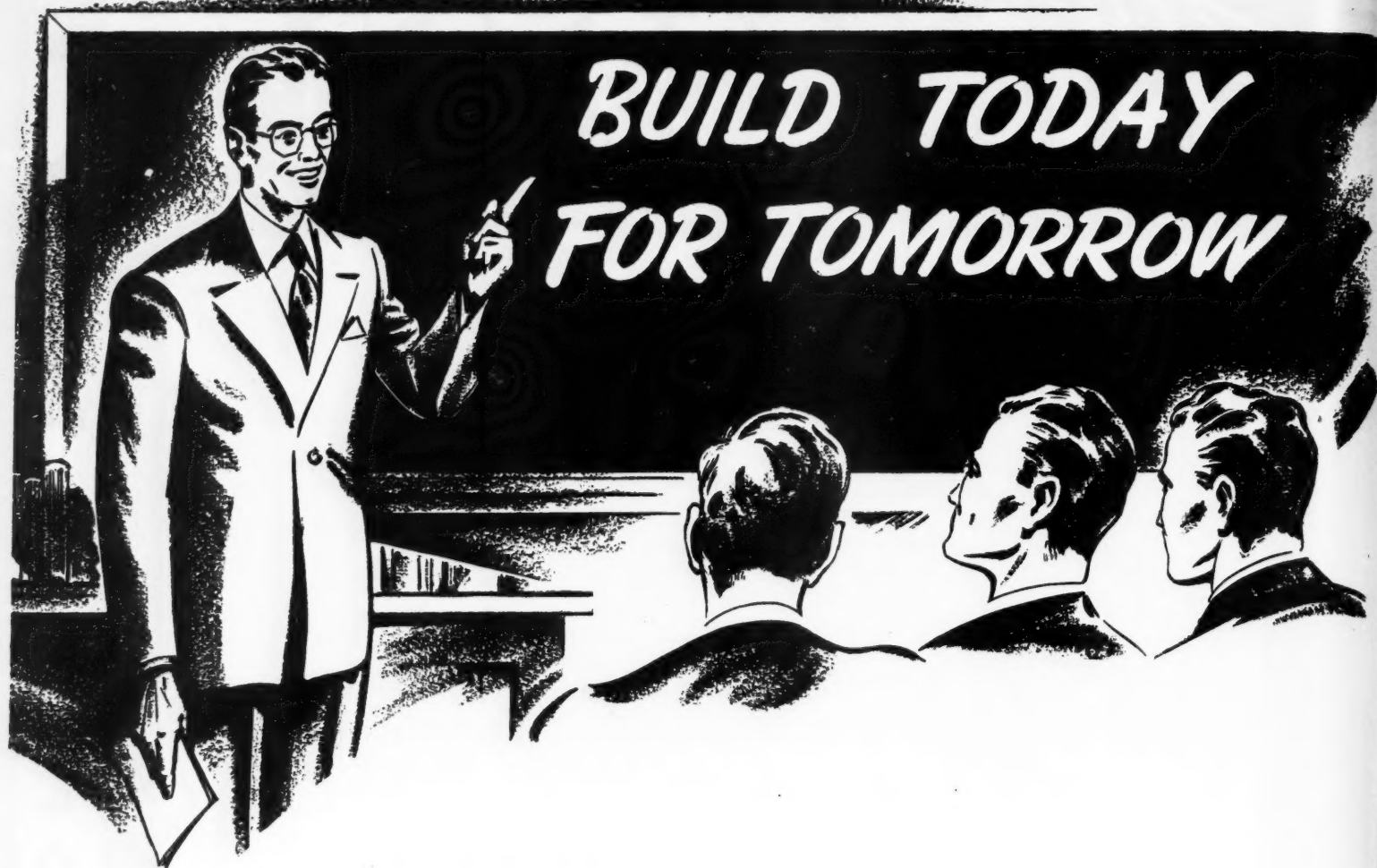
THE UNION CENTRAL LIFE INSURANCE COMPANY

Cincinnati, Ohio

Established 1867

Assets \$533 millions

THURSDAY, SEPT. 12, 1946



Heed the handwriting on the wall! Your success can be gauged only in terms of continuous improvement: in meeting needs with the best plan for the job, in using new ideas that work, in staying alert to new developments.

One sure way to keep abreast of the market is to be an active member of your Life Underwriters' Association. By doing so you keep in touch with the leaders in your business—the men who are now fieldtesting the ideas you will use later. In your Association a friendly exchange of information supplements the work your Company is doing.

The Kansas City Life agent is building for continued success. He maintains his Association membership. He has, and uses, policies specifically designed for the modern market, sales aids which really help the prospect buy, and a voluntary training program which keeps him posted on both fundamentals and new sales ideas.

**KANSAS CITY LIFE
INSURANCE COMPANY**



THANKS TO YOU, MR. LIFE UNDERWRITER!

Yes, Mr. Underwriter, thanks to you, thousands upon thousands of American Veterans are retaining their valuable National Service Life Insurance policies — holding on to them for all of their many benefits.

This means that millions of dollars worth of protection security and comfort, that otherwise might have been lost, are now being preserved for the homes of America's brave.

At the start of demobilization nearly 80 per cent of discharged personnel were letting their government policies lapse. The lapse rate has now been greatly reduced. One good reason for this is the helpful counsel you, as a Life Underwriter, have given America's Veterans regarding their government life insurance.

Such service to the Veteran not only advertises your integrity as a professional life insurance man, but also enhances the prestige of the institution of life insurance as a whole.

And it is winning for you, as well, now and for the future, the Veteran's own sincere "Thanks to you."



THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

A MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE

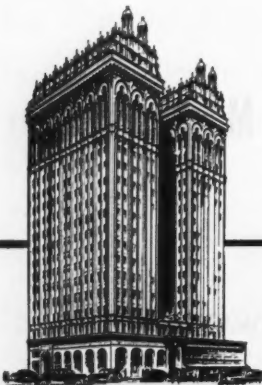
. . . . NEWARK, N. J.

Congratulations

**to the 100 JEFFERSON STANDARD LEADERS
who are attending the N. A. L. U. Meeting**

AGENTS	ADDRESS
D. L. Alford, Jr.	Rocky Mount, N. C.
D. H. Andrews	Salisbury, N. C.
E. F. Andrews	Greensboro, N. C.
J. L. Andrews	High Point, N. C.
E. W. Arnold	Harriman, Texas
E. H. Bachschmid	Washington, D. C.
S. H. Barber	Savannah, Ga.
L. W. Berrier	Savannah, Ga.
J. W. Berryhill	Charlotte, N. C.
W. A. Bethune	Charlotte, N. C.
G. A. Blake	Duncan, Okla.
R. G. Boshier	Greensboro, N. C.
E. W. Brannon	Rome, Ga.
W. L. Brooks	Charlotte, N. C.
W. L. Callum, Jr.	Baltimore, Md.
N. W. Carr	Jackson, Miss.
C. Troy Carroll	Waco, Texas
M. O. Carter	Shreveport, La.
D. S. Chidester	Morgantown, W. Va.
L. R. Cloninger	Amarillo, Texas
J. T. Comer	Gastonia, N. C.
J. Salah Craig	Henderson, Texas
R. E. Daugherty	Nashville, Tenn.
Justin B. Davis	Newport News, Va.
L. A. DesPland	Southern Pines, N. C.
A. H. Diaz	New Orleans, La.
C. N. Driver	Fayetteville, N. C.
J. P. Duncan	Marshall, Texas
G. E. Edgerton	Fayetteville, N. C.
R. C. Flemister, Jr.	Birmingham, Ala.
W. E. Fletcher	Tulsa, Okla.
W. P. Fogarty	San Antonio, Texas
R. L. Forbes, Jr.	San Juan, P. R.
J. P. Fritts	Winston Salem, N. C.
S. M. Gibbs	Reidsville, N. C.
I. W. Gillett	El Paso, Texas
Pablo Ginorio	San Juan, P. R.
C. H. Green	Birmingham, Ala.
W. D. Hinton	Greensboro, N. C.
C. C. Hooks	High Point, N. C.
A. G. Janszen	San Antonio, Texas
T. E. Johnson	Oklahoma City, Okla.
Johnny J. Jones	Columbus, Ga.
J. Travis Key	Lubbock, Texas
L. M. Krupp	Jacksonville, Fla.
C. H. Lansdell	Topeka, Kansas
R. C. Lavendusky	San Antonio, Texas
J. H. Lochausen, Jr.	El Paso, Texas
R. E. MacKay	Dallas, Texas
Clarence Maggard	Hazard, Ky.

AGENTS	ADDRESS
A. L. Mayberry	Corpus Christi, Texas
J. L. McCann	Charlotte, N. C.
H. J. McCray	Pittsburgh, Pa.
W. H. McKinney	Asheville, N. C.
J. E. McKnight	Mooreville, N. C.
D. B. Meadows	Harlingen, Texas
R. E. Mell	Atlanta, Ga.
W. D. Merritt	Hickory, N. C.
C. R. Miller	Albemarle, N. C.
Grover Monroe	Topeka, Kansas
L. C. Mumme	San Antonio, Texas
G. C. Murray	Wilson, N. C.
E. R. Nelson	Raleigh, N. C.
M. B. Norman	Denver, Colo.
Aaron Oliker	Clarksburg, W. Va.
Dorman T. Payne	North Wilkesboro, N. C.
Leon Payne	Englewood, Colo.
J. C. Perez	San Sebastian, P. R.
R. S. Peters	Denver, Colo.
J. D. Potter	Beaufort, N. C.
T. A. Proctor	Annapolis, Md.
H. N. Radcliffe	Wilmington, N. C.
Jack Rees	Jacksonville, Fla.
E. S. Reeves	Atlanta, Ga.
M. A. Rosoff	Philadelphia, Pa.
Celso Rossy, Jr.	Rio Piedras, P. R.
F. R. Richardson	Concord, N. C.
Eugene A. Rush	Dallas, Texas
O. P. Schnabel	San Antonio, Texas
W. J. Schnabel	San Antonio, Texas
LeRoy Schuller	El Paso, Texas
Ned Searcy	Columbus, Ga.
R. L. Sessions	Amarillo, Texas
J. V. Simpson	Burlington, N. C.
S. S. Simpson, Sr.	Atlanta, Ga.
Albert Lee Smith	Birmingham, Ala.
F. McKey Smith	Washington, D. C.
E. Fred Smock	Louisville, Ky.
Howard Stewart	Aurora, Colo.
Stanley Sturm	Greensboro, N. C.
D. E. Templeton	Bluefield, W. Va.
Jack Umstead	Memphis, Tenn.
Virgil Weathers	Shelby, N. C.
J. A. White	Charlotte, N. C.
T. I. White	Philadelphia, Pa.
I. A. Williams	Greensboro, N. C.
S. B. Wilson	Birmingham, Ala.
K. C. Wright	Morgantown, N. C.
N. E. York	Cleveland, Ohio
L. R. Zinberg	Baltimore, Md.



**JEFFERSON STANDARD
LIFE INSURANCE COMPANY**

JULIAN PRICE, Chairman of Board RALPH C. PRICE, President GREENSBORO, N. C.

(A SERIES OF ADVERTISEMENTS ILLUSTRATING HOW LIFE INSURANCE AGENTS SERVE THEIR COMMUNITY BY SELLING LIFE INSURANCE)



How Do You Measure Success in a Man?

Do YOU MEASURE success by the size of a man's bank account? By the cost of his home? By the suit of clothes he is wearing?

Or do you look for the pride his family has in him? What his friends think of him?

An important measurement of success, often overlooked, is how the man has *helped* others...what he has done for his friends, and strangers too!

Equitable Society representatives can see all around them the results of their work. Whether it's a family's support, a home cleared of a mortgage, a child's education, a couple's retirement, or the satisfaction and peace of mind achieved for some

policyholder, Equitable Society representatives see the good effects of their efforts on the lives of their friends and policyholders.

Yes...selling life insurance is more than a way of making a living. It is a contribution to the community in which the representative lives. And this is a "bonus" over and above the prestige that comes to Equitable Society field men as members of an honorable profession and as representatives of an institution like The Equitable Society. That is why Equitable Society representatives can be proud that by making it possible for more men to own life insurance...they serve America.

Hear how the Federal Bureau of
Investigation tracks down criminals!

LISTEN TO "THIS IS YOUR FBI"

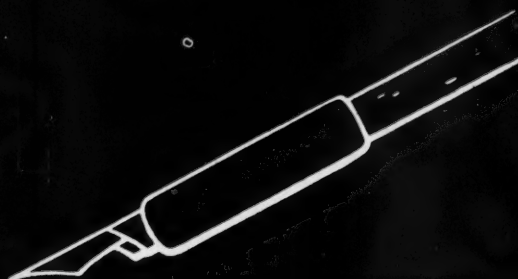
American Broadcasting Company

EVERY FRIDAY NIGHT



THE EQUITABLE
LIFE ASSURANCE
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OF THE UNITED STATES

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Life*

INSURANCE COMPANY OF CALIFORNIA
HOME OFFICE ★ LOS ANGELES

V. H. JUNKINS, Vice President

★More dotted line offerings

Millionaires, C. L. U. Training Featured

Political Activity at Mininum at Cleveland Meeting

No Contest for Convention City or Major Association Officers

There was virtually nothing on the "political" side at this meeting. Inasmuch as the trustees of the National association already have selected Boston for next year's meeting and Los Angeles for 1948, there was none of the excitement which accompanies a close contest for the next annual meeting with the maintenance of elaborate headquarters by the competing cities and the steady buttonholing of members of the national council in an effort to secure their votes for one or the other of the cities seeking the convention. In fact, in some cases rather extended campaigns looking to the securing of a convention two years away has been conducted.

The election situation also has failed to develop any excitement, as there is no competition whatever in regard to candidates for national office, except in the case of the trustees who are to be elected this year. At the election session of the national council Thursday afternoon, according to the precedent of a number of years standing, Phillip B. Hobbs, Equitable Society, Chicago, will automatically be advanced from vice president to president, and Jul B. Baumann, Pacific Mutual Life, Houston, now national secretary, will succeed him to the vice presidency.

Contest for Secretary

The secretary's job is the one for which there is usually a more or less lively contest, as the man who is chosen for that post is thus started up the ladder to the presidency two years later. This year, however, Clifford H. Orr, National Life of Vermont, Philadelphia, is unopposed for the secretary's post.

There will be several trustees to be elected this year, six for two year terms and one for a short term, filling out the remainder of the term for which John P. Costello, Southwestern Life, Dallas, was named by the trustees to fill the vacancy created when E. Dudley Colhoun shifted from the field to a home office post. That appointment expires with this convention and with a year of the term still to go, it will have to be filled at this time.

Those not now on the board for whom active campaigns have been conducted are Charles E. Cleeton, Occidental Life, Los Angeles; Herbert R. Hill, Life of Virginia, Richmond; W. Ray Moss, Connecticut Mutual Life, Louisville and Lee Wandling, Equitable Society, Milwaukee. However, Mr. Wandling has announced that he will not allow his name to be presented as a candidate for trustee.

Present trustees who will be presented as candidates for re-election this year include Hugh S. Bell, Equitable Life of Iowa, Seattle, now chairman of the general agents and managers section; Carlton W. Cox, Metropolitan Life, Paterson, N. J.; Roderick Pirnie, Massachusetts Mutual Life, Providence, R. I., and Mr. Costello. A. C. Duckett, Northwestern Mutual Life, Los Angeles, whose term expires this year, has announced that he will not be a candidate for re-election.

There is always great interest in the

Million Dollar Producers' Forum Makes Big Hit

One of the big features of the Thursday session was the presentation of "Echoes from the Million Dollar Round Table Meeting," which was held last week at French Lick, Ind., instead of in connection with the N.A.L.U. meeting, as has usually been the case in the past. This feature was arranged by Walter N. Hiller, Penn Mutual Life, Chicago. It was in the forms of questions and answers, with each participant taking up a special topic.

"Simple Programming"

Edwin T. Golden, New York Life, San Francisco:

1. When social security is involved is your approach different from that outlined in your talk?

A. The important consideration to keep in mind when the insured is covered under social security is the fact that his wife must not be put in a position where she will have to take employment during the period when there are children under 18. As you are well aware, if the widow should work in a covered employment she will sacrifice the \$25 or \$30 odd dollars a month which she would be entitled to otherwise. For this reason it is wise to give serious consideration to earmarking part of the insurance program to the specific purpose of supplementing the social security income to make a total income sufficient to keep the family together and to keep the wife from having to work until the youngest child is 18.

2. After you have programmed the insurance and completed the job, do you follow the practice of delivering with the policy a detailed outline of how the program is set up?

A. I make it a point to prepare for my own use at least a brief resume of the client's insurance program giving the values at retirement and the settlement arrangements in event of his death. Frankly, however, I prefer to keep this in my own files. Then the client must lean on me a little bit more and at any time in the future should he want information in regard to his program he will come to me and I will always know when he is giving thought to the subject. There is a disadvantage in delivering to the insured a detailed outline of how the program is set up. If this is in his possession, it may be shown to a competitor and put the competitor in a position to gain knowledge of the client's unfulfilled insurance needs; and in our business, like other businesses, knowledge is power.

Caring for Insured's Children

3. In setting up programs do you try to take care of issue of the insured's children?

A. In writing a beneficiary arrangement for a policy which is going to be payable in one sum, I usually take care of children by saying "in equal shares to surviving children born of the marriage

of insured and said wife". However, where the proceeds are going to be paid out in monthly installments over a long period of time following the insured's death and during this period his children may be growing up and getting married, then I do think it is better judgment to take care of children and their issue by the common "per stirpes" wording.

4. What system do you follow in your office to handle all of the mechanics to get all of the changes made so that too much of your time isn't consumed following through on the details?

A. In my office I am fortunate to have a very well-trained competent secretary who takes off of my shoulders all of the details and mechanics and leaves my time free for what perhaps we might call the creative end of the job. I believe that anyone who can afford it who does not have a competent secretary, is being very imprudent.

Following Up Reluctant Client

5. When a client is somewhat lackadaisical about your programming his insurance, how far do you consider it your responsibility to keep after him before you go on to the next case?

A. You have undoubtedly run into clients who do not cooperate with you at all in signing papers that you send to them to complete changes of beneficiary and who do not cooperate with you in any way when you try to service their insurance. Frankly, when I come across someone who will not meet me half way in sending back special settlement agreement papers which I have sent him for signature or in doing other simple little things like furnishing me with dates of birth, etc., I do not, after spending a reasonable amount of time with him, consider it my obligation to prod him further. As a matter of fact, I think that an insurance agent belittles himself in going too far with clients of this type who do not seem to appreciate what the underwriter is trying to do.

Short Form Analysis

Frank B. Falkstein, Prudential, San Antonio:

1. On the average, how much office time is required to complete your method of short form analysis?

A. On the average case, about an hour and a half for my secretary and perhaps an hour of study and dictation on my part. This, of course, excludes the monotonous but sometimes pleasant waste of time required to fill out an application.

2. In the interview that usually results when you return to the man's office with your report, do you generally go into detail regarding possible trust arrangements?

A. If the case looks like a situation that can be satisfied through the use of properly

(Continued on page 38)

Round Table Echoes American College Hour High Spots

Gen. Bradley, McCloy and Master Heard at Thursday Session

Thursday morning's session brought to the speakers platform more than a dozen of the leading life insurance producers of the country, members of the Million Dollar Round Table, who had been at French Lick Springs, Ind., last week attending the meeting of that organization. These interesting and colorful personalities all spoke under the general heading of "Echoes of the Million Dollar Round Table Meeting". They gave a series of rapid-fire talks outlining some interesting case or sales idea that had helped make a sale. They aroused the audience to a new high level of interest and response. What the biggest producers have to say is always listened to with unusual eagerness.

Phillip B. Hobbs, N.A.L.U.'s vice-president and one of the top managers of Equitable Society in Chicago, was chairman of the Thursday morning session, which was preceded by some organ music rendered by Vincent H. Percy. Rt. Rev. A. J. Murphy, Ph.D. director of Catholic Charities Corporation, Diocese of Ohio, Cleveland, gave the invocation.

American College Hour

"The American College Hour" followed the talks of the Million Dollar Round Table producers. Julian S. Myrick, vice-president of Mutual Life and chairman of the American College's board, presided. John J. McCloy, formerly assistant secretary of war, New York, spoke on "World Peace and Security of the Home".

A speaker from outside the life insurance business whose remarks were closely followed was Gen. Omar N. Bradley, head of the Veterans administration. Gen. Bradley discussed the benefits of National Service Life Insurance, and told how the life insurance fraternity may help to keep it on the books for returned servicemen who are lapsing it in alarmingly large numbers.

Fred A. McMaster, general agent for Ohio National at Los Angeles, analyzed the reason for a person being in life insurance selling. It boils down to two reasons, he said: To achieve personal security and to render a service. Mr. McMaster then explained what each reason meant. Desire to be successful must be a great enough desire, he emphasized. That is the difference between the \$150,000 producer and the \$500,000 producer.

Wednesday Afternoon Active

The activity Wednesday afternoon was particularly intense, taking on the semblance of a three-ring circus, with the national sales seminar, featuring a battery of outstandingly successful personal producers; the meeting of the general agents and managers section and the women underwriters' session all going on at the same time.

The sales seminar of course got the big play, with a crowd that overflowed the original setup in the grand ballroom of the Statler and made it necessary to

(Continued on page 40)

election session of the national council, even though, as is the case this year, there is not much coming up in the way of contests for official honors. This was evidenced by the case of two men from Detroit, who were on hand for the state officers dinner Monday night, returned immediately to their home city because of urgent business there, but planned to fly back to Cleveland to be in attendance at the national council election meeting

Thursday afternoon.

Many of those in attendance at the council meeting Monday were inquiring about where to get their credentials validated, so that there would be no question as to their right to vote at the election session, but found that the credentials committee had set up its headquarters Monday and had some one there at all times to take care of their requirements.

Plans Metropolitan Uses in Training New Men Outlined

W. W. Hartshorn Lists Four Basic Principles, Tells How They Are Applied

Four factors which are stressed by Metropolitan Life in training new men were reviewed before the general agents and managers section by Wilbur W. Hartshorn, superintendent of agencies of that company, who was its Hartford manager and secretary of the N.A.L.U. when he was called to the home office in 1943.

His first point was: The successful training of new men should and must begin with the selection of the new man. He declared that the greatest responsibility of management is the selection of qualified men and the development of these new men into successful producers.

He considers it advisable to get a commitment from the new man as to what he will do to help himself be the success he hopes to be. Too many times men are brought into the life insurance business with little or no idea of what is expected of them. Because of this, they make the mistake of thinking that they can just "pick up" experience and knowledge.

Since the life insurance agent is a businessman, he should clearly understand the

requisites of a successful businessman: (a) He must make an investment, (b) he must consider his market, (c) he must set objectives and devise plans to meet those objectives, (d) he must build for repeat customers and goodwill, (e) he must prepare for and, if possible, anticipate change, and, finally, (f) he must make new investments from time to time. While it is possible for a man to enter the life insurance business with little or no money capital, he will make a grave error if he believes that he can succeed without making any investment whatsoever. Of course, he must make an investment of time, but he must also be prepared to make an investment in effort—particularly in the direction of self-improvement.

Must be Oriented

"If the new man understands what is expected of him, he will willingly and wholeheartedly do those things which you and I know he must do if he is to respond to the training we give him," Mr. Hartshorn said.

Metropolitan, he pointed out, has a selection procedure of its own adapted to its own needs. When the agent successfully passes the selection tests and receives the approval of the home office, he is given what is known as pre-school training; that is, wherever possible, he is sent out on a debit with successful agents to see for himself the operations which are expected of him. If he reacts favorably, he is then sent to a training center for two weeks. When he reaches the training center, he has been prepared for the teaching he will receive, because he knows what is expected of him there, and that a report will be forwarded to his manager as to his progress. Upon his return to the district office, he is given an introduction of at least three weeks by a competent assistant manager, who devotes all of his time during this period to the needs of the new agent. Then, the progress during the introduction is assayed, and plans are made for his further training. "It is our experience that the most successful of our agents are those who have been care-

(Continued on page 34)

How Can Managers Raise Men's Average Production

Charles J. Zimmerman, director of institutional relations Life Insurance Agency Management Association and former N.A.L.U. president, addressing the general agents and managers section, raised the question as to whether general agents and managers are to be such in fact, as well as in title, in meeting the responsibilities and opportunities of the future.

It has long been accepted as a truism

component of several which go to make up a well-rounded definition of managerial success, Mr. Zimmerman said it becomes immediately necessary to qualify the term "average."

"To appraise an individual or an accomplishment as average is not only to damn it with faint praise, but it is, in fact, to festoon it with downright insult. Thus, if we say that a man is of average intelligence, we, in effect, say that he has the intelligence of a sixth grade grammar school pupil, provided that we accept the oft-made assertion that this is the average of intelligence in the United States. What I am trying to say is that if we accept the validity of the law of averages, as we must at least to a significant extent, then we must immediately examine the average to determine just how high or low this is.

Opportunity to Raise Averages

"The institution of life insurance, and specifically the agency departments and general agents and managers of the life insurance companies, have never faced a more opportune time to raise averages than is the present.

"The manpower demands of the war period resulted in the automatic and painless elimination of many unfit agents. The ranks of the field forces were further thinned during the war by the induction into the armed services of many agents. With production levels continuing to hold a high plane during the war, those underwriters remaining in active field work had the opportunity of writing a proportionately larger share of business than had been theirs in the past. Thereby, they accustomed themselves to a higher earning level, and a higher

(Continued on page 30)



W. W. Hartshorn



CHARLES J. ZIMMERMAN

that the successful general agent or manager is the one who can get better than average results from average men. Admitting that this is certainly one

NEW PLANS FOR MORE SALES

READY MONEY PLAN
(Combination Life and Accident)

DIME-A-DAY PLAN

CREDITORS GROUP LIFE

NEW PENSION TRUST PROGRAM

GROUP HOSPITALIZATION
(25 lives or more)

GROUP DIAGNOSTIC

Our field associates are already profiting from the sales plans above... all of which are recent additions to our extensive Multiple Lines Coverage. Modern sales markets demand sales plans in tune with the times.

GENERAL AMERICAN LIFE INSURANCE COMPANY
SAINT LOUIS



Top Producers Tell of Sales Methods

Debit Men Now Making Big Strides In Ordinary Field

Collis Ackiss Tells Sales Seminar How He Sells \$500,000 a Year

The days when a debit man lays the groundwork and another agent comes along and sells a \$5,000 policy or better are gone, and the debit men themselves are picking up this business on their own, Collis L. Ackiss, district representative for Metropolitan Life at Norfolk, Va., told the National Sales Seminar Wednesday afternoon.



C. L. Ackiss

Mr. Ackiss pointed out that the debit men do a big job of insurance selling, noting that 50 million of the 71 million policyholders in the U. S. own one or more weekly or monthly premium policies. The debit man, therefore, has a tremendous share in the education of the public in life insurance.

Since 1942 Mr. Ackiss has sold \$500,000 or more each year of ordinary and he attributes his success in selling to his firm belief in the service and that life insurance does. The successful agent must have a good part of oldtime religion in him if he is to be successful, he said.

Has Strong Belief In Business

"I wish I could tell you that what we have and what we do is something different. I have been getting along quite well—but I can't see that I am doing anything different, or anything better than the rest of you. When I try to analyze my particular operation, I guess I get along because in the main I believe in life insurance. It is as simple as that—I believe in life insurance. Sure, a lot of agents say they believe in life insurance—but all too often it is lip service. They don't believe in it enough to buy what they ought to have for themselves, and when that is true, how in heaven's name can they expect to communicate belief to others? You know when you believe in a thing, it is like telepathy, it is like radar—you communicate your belief to the other fellow almost without his being aware of it. He just senses, he feels it. Life insurance is one commodity that really gives the buyer his money's worth; in fact, it is about the only commodity I know of that is worth more the longer you keep it. Homes become obsolescent, stocks go bust, motor cars wear out—and just about everything else wears out. Life insurance—but why talk to you gentlemen about life insurance? The point I am trying to make is that if a man is to get anywhere in life insurance he must believe in it; he must have religion, the good oldtime religion."

Uses Social Security

"Social security today gives me my biggest opportunity," Mr. Ackiss said. It gives an opportunity for sale of ordinary through programming, even in smaller cases. He explained that an assured may sometimes lapse a policy, but will seldom lapse a program because it is for a specific purpose—he can see what he has and what it will do. He

(Continued on page 45)

Low Pressure Buying Is Best for Small Town

"Low pressure buying" is the best for a small town such as the one in which he lives, John W. Arden, Southwestern Life, Waxahachie, Tex., told the producers' sales seminar.



John W. Arden

The citizenship of the town itself is made up of a few well-fixed and elderly farmers who have moved to town to retire and some who live there to send their children to school. Most of the population is the general run of average, hard-working folks, enjoying small town life and making things tick in the community.

Folks like these know each other, he said, know nearly everything about each other's family affairs and their business. There are no big shots in a community like this—they know too much about each other.

Don't Like High Pressure

"Folks like these don't like 'high pressure,'" he continued. "They like to do their own buying—or, at least, most of them like to think they do their own 'deciding.' So, for 18 years, I've tried to sell to them in my section on 'John Arden and Life Insurance' and 'Life Insurance and John Arden'—and just as you have—that the name and life insurance are synonymous—and help them buy. Further, after they are once on my books—after they have bought the first

(Continued on page 26)

How "Third Party Influence" Helps Sale of Business

The value in selling of "third party influence," which he defined as "the ability to get the other fellow to help you sell a deal to his friends," was stressed by George L. Maltby, Equitable Life of Iowa, Kansas City, Kan., at the producer's sales seminar.



George L. Maltby

His reply to the question, How do you get it? was: "First, by doing a good job for him; by doing that job so well that he thinks you should be his personal insurance adviser. Second, by getting some supporting evidence from him in the way of personal letters that indicate you are O.K."

In applying the idea, he said an especial requisite is a plan book, with a complete record of calls and interviews planned. As to "the folks the agent should call on to build up a little third party influence," he said that "if we sell a janitor and he likes us, and we want him to, he will refer us to another janitor. Now that's O.K. But we won't make much money in these cases even if we do a bang-up job."

Solicit Man with Check Book

He told of one agent who wrote from 50 to 100 policies every year for 25 years, averaging about \$100,000 per year. However, 90% of the purchasers paid him in cash—they had no check book. The number of calls he had to make to collect over all those years finally burned him out. He just couldn't make the rounds. The reason for

(Continued on page 26)

Widows Not All Dopes About Money, E. T. Golden Says

Options Not Always Best—Plans for Simple Programming Outlined

I don't consider all widows ipso facto dopes when it comes to making decisions about money and I don't believe that you have to always tie up the proceeds in order to be a professional life underwriter serving the best interests of your clients. It seems to me that whereas 30 years ago no one used the options at all, today we are just as wrong when we go to the opposite extreme and overuse them."



Edwin T. Golden

That was one of the conclusions presented by Edwin T. Golden, New York Life, San Francisco, a life and qualifying member of the Million Dollar Round Table, in his talk on—"Simple Programming" in the producers sales seminar.

"We have all heard the stories of widows who were left their life insurance money in one sum and then proceeded to lose it very promptly in one way or another," Mr. Golden said. "However, from my personal experience I can tell you of a number of widows who have taken their life insurance in one sum and then done very well with it. Today they are much better off as a result of being able to command capital at the time of their husbands' deaths than they would have been if the money had been doled out in monthly installments consuming principal and interest over a period of years, under a settlement option."

Widows' Experiences Told

He told of one woman whose husband died in 1937 leaving her with two boys, 10 and 15, and \$17,000 of insurance. These proceeds were not tied up but he explained the various settlement options and advised her (as she reminded him recently) to take advantage of these options. Instead she decided to buy an apartment house in San Francisco priced at \$25,000. She put her \$17,000 down and signed a mortgage for the balance. After all expenses including amortizing payments on the mortgage, she has a net income from it of about \$175 per month, and her own apartment free of rent, or at least \$40 per month additional. The mortgage has been reduced to \$4,000; the value of the property has risen to \$35,000; the boys are grown and she faces an independent future.

Combines Capital and Energy

"I think we must admit that by combining her capital and her energy she has certainly done better than if she had taken advantage of my recommendation that she use settlement options," Mr. Golden said.

Another widow used her \$10,000 of proceeds to open a neighborhood shop specializing in baby things. She has been making \$5,000 a year net without any trouble at all.

"Others of my widows in the 20, 30, 40's have decided to leave their proceeds under the interest only options and earn their own incomes while they are still comparatively young and jobs are easy to get. Thus they keep their funds intact for hard times or their old age rather than consuming them in the years immediately following the deaths of their husbands," he added.

(Continued on page 33)

Millionaire Tells about Prospecting, Sales Methods, Work Habits

D. L. Myrick, Great Southern Life, Lake Charles, La., a member of the Million Dollar Round Table, reviewed in the personal producers seminar his methods of prospecting, selling and work habits which have brought his production up to the million mark. His material was presented in the form of answers to questions propounded to him by the chairman.



D. L. Myrick

Mr. Myrick said his most profitable prospecting method has been a combination of the endless chain and center of influence plans, with the endless chain probably accounting for the greater number of his prospects. He considers that the best time to ask for information and names of prospects is at the close of the interview—after the transaction is all finished.

He does not always use the same procedure in asking the prospect for names, but usually it is something like this: "About how many people are working in the same kind of work where you work, and what is the foreman's (or superintendent's) name? What is the man's name who relieves you? Do you have any brothers or any brothers-in-law, and what are their names? What kind of work are they engaged in? Are

they married, single, and what of their financial status, etc.?" It is usually easy to secure names of new prospects after a sale has been made.

Get Information on Every Call

He tries never to overlook the opportunity of securing additional information and names of additional prospects on every call. "We can never have too many prospects," he declared.

In getting names on service calls, when he has decided to begin working in a particular group in an office, plant or company, he usually makes a cold canvass of one of the employees, or goes directly to one of the people in authority, securing from him the names of several employees, and using that as a starting point. From there on it is the old story of following through by the endless chain method.

He secures many leads from the newspapers, such as real estate transfers, opening of new businesses, personal items which would indicate the need for life insurance, as marriages, births, etc. The main thing is to be sure to make the call after the agent has secured the necessary information.

Question on Using Death Claims

Using death claims as a source of names is perhaps a debatable question. He has found that by being diplomatic and tactful it is possible to secure quite a lot of business in that way. The salesman has to decide for himself under what

(Continued on page 46)

Welcome to CLEVELAND

Henry G. Wischmeyer

George H. Plante

THE WISCHMEYER & PLANTE
GENERAL AGENCY



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JAMES H. RUTHERFORD, Manager
AND ASSOCIATES

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MANAGER

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MANAGER

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It is appropriate for the National Association of Life Underwriters to hold its Victory Convention in Cleveland in this first year after victory, for the spirit of progress so characteristic of our city is the same which exemplifies the postwar expansion program of the N.A.L.U.

In the quarter century since Cleveland was host to the National Association in 1921 Cleveland has made phenomenal progress while

the N.A.L.U. has increased its membership fourfold and has expanded its activities proportionately. Cleveland is celebrating its sesquicentennial anniversary and its life underwriters are delighted indeed that our national body have elected to join us in that celebration at their fifty-seventh annual convention.



LIONEL MARTELLE
Manager

Acacia Mutual Life Insurance Company
Washington, D. C.
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TRUMAN H. CUMMINGS & ASSOCIATES

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GENERAL AGENT

THE OHIO NATIONAL LIFE
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G. B. Chapman

D. E. Hanson



G. B. CHAPMAN & CO.

General Agents

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W. ALLEN BEAM C.L.U. AND ASSOCIATES

STATE MUTUAL LIFE ASSURANCE
CO. OF WORCESTER, MASS.

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WALTER H. BROWN

Manager Ordinary Department

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Home Office, Newark, N. J.

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The Cleveland Agency of Ohio's oldest life insurance company invites members of the NALU to stop in anytime during their Convention stay.

James H. McCullough, Mgr.

**THE UNION CENTRAL LIFE
INSURANCE CO.**

930 Keith Building 1621 Euclid Avenue
Cleveland 15, Ohio

Welcome to CLEVELAND

Henry G. Wischmeyer George H. Plante

THE WISCHMEYER & PLANTE
GENERAL AGENCY



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1621 Euclid Avenue
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Greetings

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JAMES ELTON BRAGG, C.L.U.

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Downtown Office
60 John Street

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Successor to
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Manager

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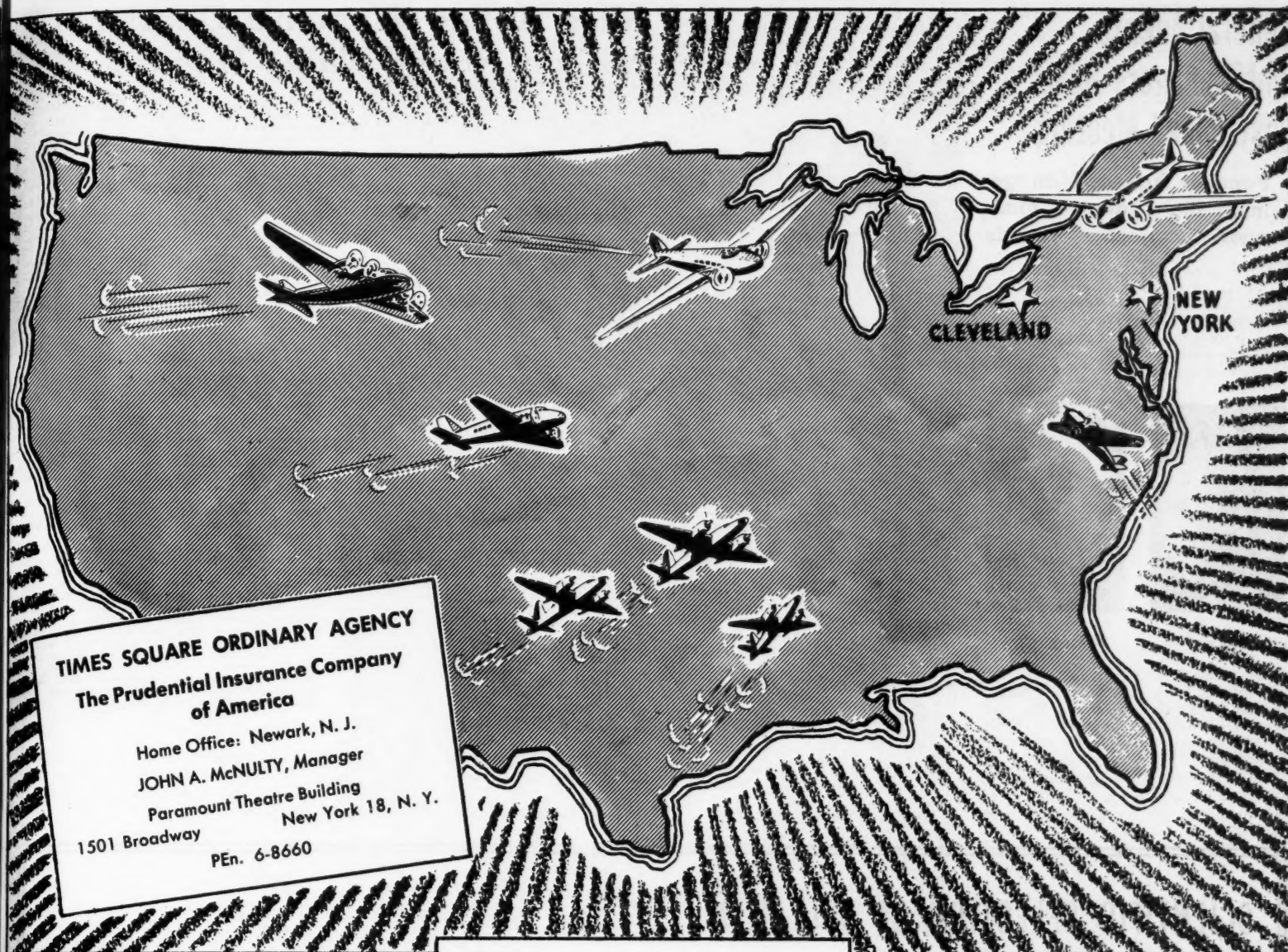
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ARTHUR L. SULLIVAN
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The Fidelity Mutual Life Insurance Co.

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 107 WILLIAM STREET NEW YORK CITY

HARRY GARDINER
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John Hancock Mutual Life
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WHITEHALL 4-7697

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 CONTINENTAL ASSURANCE COMPANY

SAMUEL D. ROSAN, President
 76 WILLIAM ST. NEW YORK 5, N. Y.

General Agents and Managers Have Fast Paced Meeting

Panel on Agency Management Big Feature — Manager's Magazine Awards

A fast paced, heavily attended meeting of the general agents and managers section was held Wednesday afternoon with Hugh S. Bell, general agent Equitable of Iowa, Seattle, in charge as chairman. The room was hot, but there was an overflow crowd with standees banked



Hugh S. Bell



Osborne Bethea

all along one side of the room. Mr. Bell had imposed time limits upon the speakers and they were observed. Mr. Bell characterized it as the first post-war meeting of the general agents and managers group.

While the crowd was getting settled, he called for a showing of hands as to the number in the room who had been

in the life insurance business for 20, 25, 30 years or longer. By the process of elimination, it was finally established that Herman C. Moss, Equitable Society, Cleveland, had been in life insurance work longer than any other man in the room. His record is 48 years.

Area Conferences Reviewed

Mr. Bell had placed on each chair a chart showing the areas throughout the country in which managerial area conferences had been held during the past year. He explained that James Brennan, Fidelity Mutual, Chicago, is western chairman of the managers area group. Mr. Brennan was not in attendance, but Osborne Bethea, Penn Mutual, New York, who is eastern chairman, was introduced briefly. Mr. Bell explained that 12 area conferences were held during the year.

To the amusement of the crowd the award for the best article appearing during the year in Manager's Magazine, which was presented by Fitzhugh Traylor, Equitable Society, Indianapolis, went to Chairman Bell. James E. Schofield, editor of Manager's Magazine, presented the trophies to representatives of the five local associations of cities of varying populations. The loving cups went to Evansville, Ind.; Hartford, Indianapolis, Los Angeles and Seattle which latter was given the award designated "best of show" for the year.

Bethea Is Panel Leader

The panel on "Agency Management Today" led by Osborne Bethea was the popular feature of the afternoon. Earl M. Schwemm, manager of Great-West Life, Chicago, started it off with his talk on "Directing Sales Under Present Day Conditions." In introducing him Mr. Bethea said that the Schwemm agency has produced \$20 million of business so

(Continued on page 39)

Miss Kelley Women's Quarter Million Round Table Head

At the dinner of the Women's Quarter Million Dollar Round Table Tuesday night, Ruth Kelley,



Eunice C. Bush

general agent of Manhattan Life in Detroit, was elected chairman to succeed Mrs. Eunice C. Bush, Mutual Life, Baton Rouge, La. Other officers elected were: Vice chairman, Mrs. Elma Easley, California-Western State Life, Portland, Oregon; committee members, Helen Foster, Prudential, Birmingham Ala., and Norma Wasson, Phoenix Mutual Life, Kansas City, Mo. The dinner was attended by 50 members, the largest group ever present at a banquet meeting.

New Life Members

Mrs. N. B. Adams, Occidental Life, Portland, Oregon; Mrs. Bernadette C. Allin, Union Mutual Life, Portland, Maine; Mrs. Jean Begleiter, New York Life, New York; Mrs. Elsie H. Colson, Union Central Life, Omaha; Mrs. Grace E. Dahm, Northwestern Mutual Life, Madison, Wisconsin; Miss Ruth Day, Bankers Life of Iowa, Detroit; Mrs. Lucilla H. DeVore, New York Life, Memphis; Miss May Helen Donnell, Equitable Society, San Antonio; Miss Cora Dulaney, Great National Life, Dallas; Miss Ethel N. Elmer, Chicago; Mrs. Rose D. Emmett, Franklin Life, Fort Payne, Alabama; Mrs. Rose C. Erlach, Lincoln National, Newport News, Virginia; Mrs. Zelma Fisher, New York Life, St. Louis; Miss Gertrude L. Freeman, Continental Assurance, Waterbury, Connecticut; Miss Vera A. Harmer, New York Life, St. Louis; Miss Cora Hartvig, Connecticut Mutual Life, Los Angeles; Mrs. Rose M. Helm, New York Life, Logan, Iowa; Mrs. Minna W. Hensley, Franklin Life, Selma, Kansas; Mrs. Cecilia R. Howard, New York Life, Buffalo; Miss Vera M. Hunt, Mutual Benefit Life, Chicago; Miss Leila S. Johnson, New York Life,

Estherville, Iowa; Mrs. Sara Kabakoff, Massachusetts Mutual, Memphis; Miss Bertie Lee Kenagy, New York Life, Kansas City; Mrs. Jennie L. Kramer, Reliance Life of Pittsburgh, Norfolk, Virginia; Mrs. Ann S. Liston, Northwestern Mutual, South Bend; Miss E. Ruth Loefer, Lincoln National, Cleveland; Mrs. Ella E. Long, New York Life, Painesville, Ohio; Mrs. Emma F. McConnell, Volunteer State Life, Chattanooga; Mrs. Estella Walsh Nagle, New York Life, San Francisco; Miss Helen Ann Pendergast, Mutual Life, Baton Rouge; Miss Ellen M. Putnam, National Life, Rochester, New York; Mrs. Sophie B. Reich, Lincoln National, Cleveland; Mrs. Lillian B. Sullen, Franklin Life, Troup, Texas; Mrs. Meg S. Smith, Equitable Society, Tampa, Florida; Miss Norma Wasson, Phoenix Mutual, Kansas City; Mrs. Annarae Weiss, New York Life, Pittsburgh; Mrs. Matilda Morgan Wells, Prudential, Detroit.

Qualifying Life Members

Mrs. Bettie M. Boyd, Mutual Life, Troy, Alabama; Mrs. Muriel F. Briggs, Southland Life, Dallas; Mrs. Eunice C. Bush, Mutual Life, Baton Rouge; Mrs. Elma Easley, Calif. Western States, Portland, Oregon; Mrs. Berenice M. Eichenbaum, Guardian Life, Kansas City; Mrs. Helen D. Foster, Prudential, Birmingham; Mrs. Hanna I. Held, Lincoln National Life, Norfolk, Virginia; Mrs. Fannie Anice Henry, New York Life, Little Rock, Arkansas; Mrs. Lillian L. Joseph, Home Life, New York; Miss Ruth M. Kelley, Manhattan Life, Detroit; Miss Hermine B. Kuhn, Manhattan Life, New York; Mrs. Emanuel Levy, John Hancock, Dallas; Mrs. Fay Levy, Equitable Society, New York; Mrs. Deborah S. Lewin, Equitable Society, Los Angeles; Miss Corinne V. Loomis, John Hancock, Boston; Miss Florence E. Lorf, Penn Mutual, Detroit; Miss Elsie M. Matthews, Manhattan Life, Montclair, New Jersey; Mrs. Lillian Oliver, Security Life & Accident, Atlanta, Texas; Mrs. Esther D. Pinckus, Lincoln National Life, Norfolk, Virginia; Mrs. Lillian L. Probst, Franklin Life, West Columbia, Texas; Mrs. Leila N. Rice, Oregon Mutual Life, Pendleton, Oregon; Miss Helen B. Rockwell, National Life of Vermont, Cleveland; Miss Helen M. Zepp, Equitable Society, Chicago; and Mrs. G. A. Ralls, Minnesota Mutual, Houston.

E. P. Oertel, assistant to the president of Great Northern Life, is representing the home office of that company at the Cleveland meeting.

SCIENTIFIC SELECTION OF SALESMEN PAYS!

Let us tell you how we may help you in screening out the probable failure and selecting the man most qualified to fit the job. Our method of progressive selection has been adequately validated by practical psychologists, personnel specialists and experienced business men. May we furnish you with further complete information?

CONFIDENTIAL DATA BY UTLEY ASSOCIATES

OHIO NATIONAL LIFE

LIFE UNDERWRITER

MENTAL LOGICAL PROFILE J.L.S.

SEX: MALE ☒ FEMALE ☐ MARRIED ☒ DIVORCED ☐ SEPARATED ☐ WIDOWER ☐

THOUSANDS OF YRS. none 1 to 4 5 to 9 10 or more

NO. OF CLIPS none 1 2 3 or more

AGE 25 30 35 40 45 50 55 60 65

NUMBER OF DEPENDENTS 0 1 2 3 4 5 6 7 8 9 10 or more

YES. SCROLLING 1-8 9-11 12 Col. 1 Col. 2 Col. 3 Col. 4 Col. 5 Col. 6 Col. 7 Col. 8 Col. 9 Col. 10 Col. 11 Col. 12 Col. 13 Col. 14 Col. 15 Col. 16 Col. 17 Col. 18 Col. 19 Col. 20 Col. 21 Col. 22 Col. 23 Col. 24 Col. 25 Col. 26 Col. 27 Col. 28 Col. 29 Col. 30 Col. 31 Col. 32 Col. 33 Col. 34 Col. 35 Col. 36 Col. 37 Col. 38 Col. 39 Col. 40 Col. 41 Col. 42 Col. 43 Col. 44 Col. 45 Col. 46 Col. 47 Col. 48 Col. 49 Col. 50 Col. 51 Col. 52 Col. 53 Col. 54 Col. 55 Col. 56 Col. 57 Col. 58 Col. 59 Col. 60 Col. 61 Col. 62 Col. 63 Col. 64 Col. 65 Col. 66 Col. 67 Col. 68 Col. 69 Col. 70 Col. 71 Col. 72 Col. 73 Col. 74 Col. 75 Col. 76 Col. 77 Col. 78 Col. 79 Col. 80 Col. 81 Col. 82 Col. 83 Col. 84 Col. 85 Col. 86 Col. 87 Col. 88 Col. 89 Col. 90 Col. 91 Col. 92 Col. 93 Col. 94 Col. 95 Col. 96 Col. 97 Col. 98 Col. 99 Col. 100

MENTAL ALERTNESS

SOCIAL INTELLIGENCE

EMOTIONAL STABILITY

SELF SUFFICIENCY

EXTROVERSION

DOMINANCE

SELF CONFIDENCE

SOCIABILITY

ASCENDANCE

L. I. SALESMAN

R. E. SALESMAN

PERSONNEL MANAGER

ACCOUNTANT

SOCIAL SERVICE

OFFICE WORKER

KNOWLEDGE OF SELLING

BUSINESS KNOWLEDGE

SPEECH

VOCABULARY

SALES ABILITY

TRAINING ABILITY

SELF RELIANCE

PERSONAL WORTH

PERSONAL FREEDOM

FEELING OF BELONGING

LACK OF WITHDRAWING

LACK OF NERVOUSNESS

SOCIAL STANDARDS

SOCIAL SKILLS

LACK OF ANTI SOCIAL TD

FAMILY RELATIONS

OCCUPATIONAL RELATIONS

COMMUNITY RELATIONS

SOCIAL JUDGMENT

INTUITION

BEHAVIOR OBSERVATION

SENSE OF HUMOR

ACTIVITY

VISUAL MEMORY

GRAMMAR

IMAGINATION

PRACTICAL JUDG. 1-10

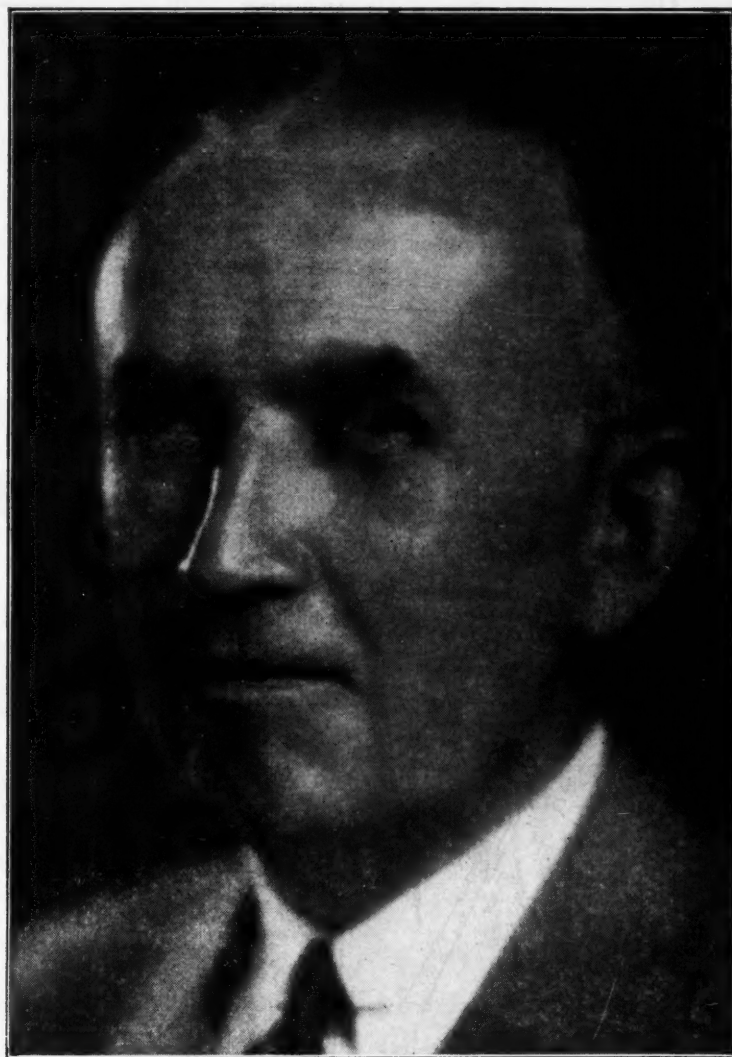
A visual presentation of an individual's qualifications by the multi-logical progressive selection of Life Underwriters. This method of selection has been proven successful.

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1103-1105 UNION TRUST BUILDING

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CINCINNATI 2, OHIO



We take this opportunity to congratulate Clancy D. Connell:

As president of the National Association of Life Underwriters, by reason of the successful conduct of his office during a difficult period of expansion and post-war development.

As General Agent of this Company, by reason of his exceeding by wide margins the production and persistency quotas set by the Company for his agency during the year to date.

As a leader of men, by reason of the high volume of business from junior agents secured by his agency this year.

To this friendly and enthusiastic co-worker we extend a very sincere "well done!"

PROVIDENT MUTUAL LIFE INSURANCE COMPANY of PHILADELPHIA, PA.

PROVIDENT MEANS "LOOKING AHEAD"

**MASSACHUSETTS MUTUAL LIFE
INSURANCE COMPANY****JOHN W. YATES**General Agent for Southern California
530 W. 6th ST., LOS ANGELES**Yates & Van Stralen**General Agents for Northern California
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Arthur F. Renning
Assistant Managers**The Prudential Insurance Company
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448 South Hill Street Los Angeles 13**WALTER S. PAYNE
and Associates****The Prudential Insurance Company
of America**Home Office: Newark, N. J.
Troy Ziglar, Assistant Manager
Bill Peacock, Assistant Manager
210 W. 7th Street Los Angeles 14**WILMER M. HAMMOND**

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**Aetna Life Insurance
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"Its Name Indicates its Character"

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256 Montgomery St.
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TRINITY 2215

1210 Associated Realty Building

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We will see you

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1151 South Broadway

LOS ANGELES 15

HAROLD G. SAUL

General Agent for Southern California



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Los Angeles 14

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Los Angeles 14

N. J. NELSON, Manager

Southern California Department

Reliance Life Insurance Company of Pittsburgh

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"The Home of Planned Estates"

ROBERT L. WALKER

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LOS ANGELES 14

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GORDON L. PRIOR, Agency Assistant

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Los Angeles 14

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Charles R. Spiller, C.L.U., Agency Supervisor

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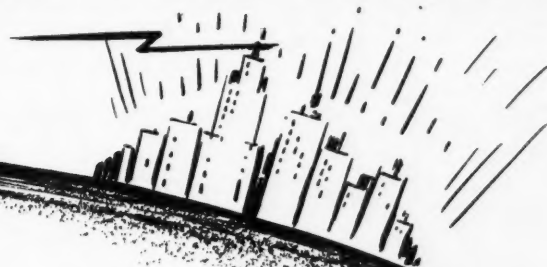
609 South Grand Ave.

Los Angeles 14

from

LOS ANGELES to CLEVELAND

Los Angeles in 1948



Must Have Enough Desire Before Success Is Possible

McMaster Says Low Production Is Result of Lack of Forcefulness

In spite of the magazines, trade services, books, training, tax and refresher courses, sales ideas and aptitude tests, there is something else needed by people in the life insurance business, Fred A. McMaster, general agent for Ohio National Life at Los Angeles, told the general meeting Thursday morning.

This is borne out by the low income and low production figures of the great majority of agents, he said. He cited a survey made by C. L. U. President Clifford H. Orr in 1944 which showed that 73% of the agents of 23 leading ordinary companies paid for less than \$150,000.

With all the ideas and plans available, those figures indicate that something is lacking in the business, he emphasized.

Should Know Why He Sells

Mr. McMaster said that every agent should ask himself why he sells life insurance. And the result would be, he declared, that there would be two general answers: Personal security and to render a service. Explaining these answers, Mr. McMaster said, "I sell life

insurance to provide a livelihood for my family and myself. Some may say, 'render service' is the more important. In fact, our various service club friends, Rotarians, Iowanians, etc., all put 'service' first and 'self' second. So do I. However, students of human behavior tell us that the number one instinct of men is the instinct of self preservation.

"Some men in our business obtain a very complete, or even a truly magnificent, living from this business of ours, while others barely eke out an existence. Why this wide variance of income? Four years ago I attended the Life Insurance Sales Research Bureau Managers' School in Chicago. Two powerful ideas were given that school by B. N. Woodson, then with the bureau, now vice president of Commonwealth Life. The first of those ideas was this. 'The \$75,000-a-year producer has the same job as the million dollar producer.' As that statement was made, the man sitting next to me facetiously spoke up and said, 'That may be so, I may have the same job as the million dollar producer, but there is a lot of difference in our pay checks—mine are a lot smaller.' As he made that statement immediately there flashed to my mind the question, 'Why?' 'Why is his pay check a lot smaller? Why doesn't he earn more money?'

To Want To, Enough

"I found the answer to that question in that second idea which I got at the bureau school. The answer is found in three words, 'Want to, Enough'."

Mr. McMaster said his second reason for being in the business, rendering a service, means to him acting as a trustee charged with the responsibility of giving a useful labor.

Telling his audience how they can render a service, what it means, Mr. McMaster said it begins with the agent himself, and then with his relationship with people.

(Continued on page 36)

Life Salesmen Find Pay-Off in Outside Influences

There is always a "money wind" for life insurance sales, and it blows strongest for the one who has the capacity to interpret and anticipate outside influences as the basis for insurance sales, Earl M. Schwemm, Great-West Life, Chicago, told the general agents and managers section.

He said the successful general agent or manager has many essential functions. Of prime importance is his position as the sales manager of his organization. As such it is his duty to direct the sales efforts of his men along the most effective and profitable lines of selling endeavor. He showed how sales managers can greatly aid salesmen if they properly interpret present-day economic and social conditions as the basis for insurance sales—in other words—how we can direct our men into the "money wind."

He declared that knowledge of life insurance alone is not the essential for "the real pay-off" for insurance salesmen in today's market. The "pay-off," rather, is their awareness and knowledge of "outside influences."

Outside Influences and Sales

More and more, he said, outside influences are going to be responsible for life insurance sales. These outside influences are things over which individuals have no control, such as tax laws, tax

regulations, social and economic trends and the meaning of high taxes and low interest.

"The underwriter must make the proper interpretation of these outside influences and trends so as to capitalize on them and, most important, to anticipate these trends in advance of their actual happening and before they are of common knowledge to all," Mr. Schwemm said. "The point is, it is important to get in on the ground floor; to be able to take off the cream, so to speak. Don't wait until the results are obvious and the situation is an accepted fact."

"It is vital for the manager to direct the sales activities of his men to the proper understanding of the real meaning of high taxes and low interest. Also he should prepare his men for selling in a given market and help them anticipate markets. Further, he should set up his agency in advance of things which will develop due to current trends. In short, he must be prepared to capitalize on the "current money wind."

Magic Words "Deferred Income"

"Today, the magic words are 'deferred income' for those who have income greater than their current needs. Because of the importance of deferred income, single premium life contracts and single premium deferred annuities are becoming more popular. Also because of high taxes and low interest, the discounting of future premiums has an important place. Use proposals that clearly show tax advantages."

"Life insurance contracts for men and

(Continued on page 35)



Earl M. Schwemm



F. A. McMaster

Greetings to the



NATIONAL ASSOCIATION OF LIFE UNDERWRITERS from KANSAS CITY, MO.

"Hats off" to the Officers and Headquarters Staff
for the grand job they are doing

HERBERT A. HEDGES & ASSOCIATES

General Agent

EQUITABLE LIFE OF IOWA, KANSAS CITY, MO.

ROBERT J. COSTIGAN

MISSOURI BRANCH MANAGER

BUSINESS MEN'S ASSURANCE COMPANY

230 B. M. A. BUILDING

WILLIAM J. SLACK

MANAGER

METROPOLITAN LIFE INSURANCE COMPANY

BRYANT BLDG.

KANSAS CITY AGENCY

J. D. McInnes, Manager

KANSAS CITY LIFE INSURANCE CO.

University Club Bldg., 914 Baltimore Ave.

J. R. FARNEY

Director of Agencies, Western Division

THE OHIO NATIONAL LIFE INSURANCE CO.

Missouri—Kansas

1111 BRYANT BUILDING

**KANSAS CITY LIFE
UNDERWRITERS**

Leading Life Offices of Chicago

N. A. L. U. 57th Anniversary

ROCKWOOD



S. EDWARDS

General Agent

AETNA LIFE INSURANCE COMPANY

120 SOUTH LA SALLE STREET, CHICAGO, ILLINOIS

Telephone: Andover 1920

The offices listed on this page are leaders in the life insurance field in Chicago. They believe in the National Association and for what it stands, and through this medium extend their cordial greetings to the 57th annual meeting in Cleveland.

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WADE FETZER, JR.

JOHN H. SHEPHERD

GENERAL AGENTS of

THE PENN MUTUAL Life Insurance Company

135 South La Salle Street

Franklin 7300

CHICAGO

Reliance Life Insurance Company of Pittsburgh

ILLINOIS DEPARTMENT

111 W. Washington Street

Telephone: Ran, 6588

WILLIAM C. PECK, Manager

JACK E. RAWLES, C. L. U. Agency Instructor

Territory: Northern Illinois, Northern Indiana, Eastern Iowa

THE EWING AGENCY

PROVIDENT MUTUAL
LIFE INSURANCE COMPANY
OF PHILADELPHIA

Founded 1865

WILLARD EWING

GENERAL AGENT

Phone Randolph 6088

1205 Harris Trust Bldg.
CHICAGO, ILL.

The EQUITABLE LIFE ASSURANCE SOCIETY OF THE U.S.

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Agency ManagerRobt. R. Reno, Jr.
Agency Manager29 So. La Salle St.
CHICAGO

THE CHICAGO AGENCY The Prudential Insurance Co. of America

Home Office: Newark, N. J.

1246 Field Building

Tel. CENTral 3930 Chicago 3

S. A. KENT, Manager

GEORGE L. SCHOMBURG
BROOKS FULLER, C. L. U.

Assistant Managers

JAMES A. SHEVLIN
Cashier

Established in 1871

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Seattle	Buffalo
Montreal	Indianapolis
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JAMISON, PHELPS AND ASSOCIATES

General Agency

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

An association of career underwriters who take pride in their work and the product they sell

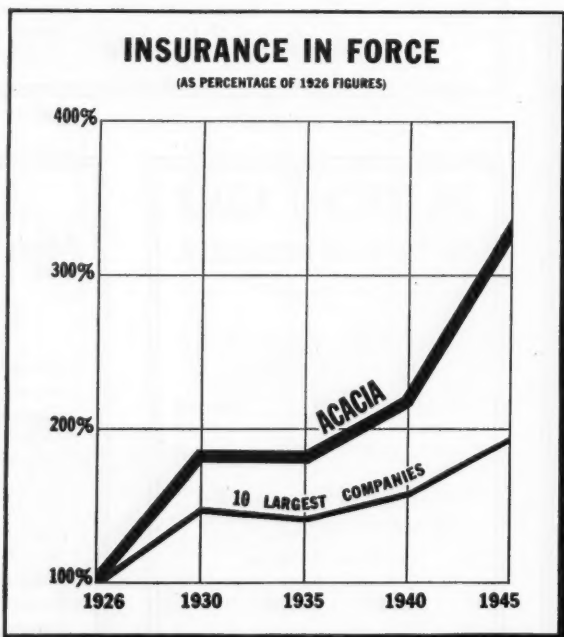
Phone State 0633

208 S. La Salle Street

ACACIA ASKS WHY

ACACIA MUTUAL, 20 years ago, came to the conclusion that for the benefit of the policyholders there was only one answer to these questions. Consequently it **REDUCED ITS PREMIUMS** to the level of the stock companies and agreed, in addition, to **RETURN TO ITS POLICYHOLDERS** as real dividends any excess earnings and savings that could be effected.

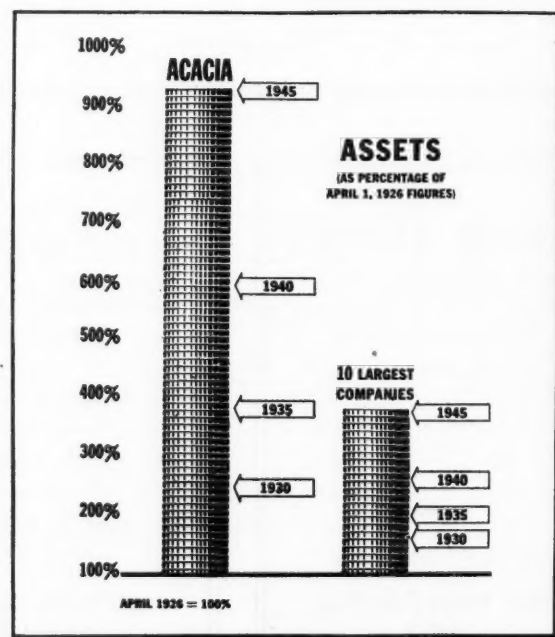
ACACIA MUTUAL'S AMAZING RECORD during these 20 years, shown by the following charts, tells its own story of growth and progress we believe to be unparalleled in life insurance annals—and what is more important, the policyholders have materially benefited not only by the **REDUCED PREMIUM COST** of their life insurance, but by the **REAL DIVIDENDS** they have received.



With Acacia Mutual's low premiums, financial strength and farsighted management, it is no wonder that the America public has patronized it so generously.

Since April 1, 1926,

Acacia Mutual's insurance in force has more than tripled in amount—increasing at better than twice the average rate for the ten largest life insurance companies.



Not only has Acacia insurance in force grown at a phenomenal rate but the assets of the Company have grown even faster.

Assets are the bonds, mortgage loans, policy loans, real estate and other property held by insurance companies as security behind the policy contracts.

Since April 1, 1926,

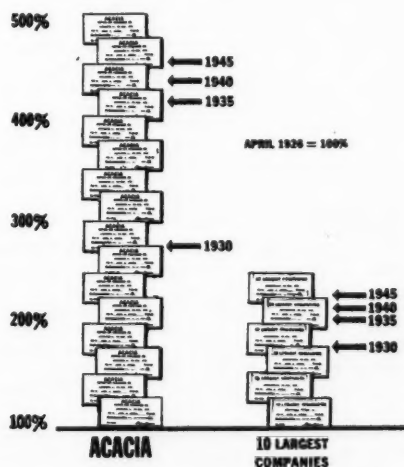
Acacia Mutual's assets have grown three times as fast as the average for the ten largest life insurance companies.

? **SINCE THE STOCK COMPANIES** have PROVED that life insurance can be safely sold at lower initial premiums than the rates charged by the mutual companies, WHY should not the mutual companies reduce their premiums to the level of the stock companies?

WHY do the **MUTUAL COMPANIES** rely on misleading and fallacious "dividend" estimates to sell their insurance, a sales practice that is fundamentally unsound and that creates misunderstanding and disappointment?

SINCE THE STOCK COMPANIES, even with their low premiums, have made fortunes for their stockholders, WHY should not the **MUTUAL COMPANIES** operate on the same premium basis and return to their **POLICYHOLDERS** the excess earnings and savings that in a stock company are given to the **STOCKHOLDERS**?

PAID TO POLICYHOLDERS AND BENEFICIARIES (AS PERCENTAGE OF 1926 FIGURES)



Payments to policyholders and beneficiaries include surrender values, dividends, death and disability benefits and proceeds of endowment policies at maturity.

Since April 1, 1926.

Acacia has paid to policyholders and beneficiaries a total of \$104,200,000 of which more than \$15,000,000 represented *real* dividend payments.

You will want to read Mr. Montgomery's 77th Annual Report to the Company's policyholders, a report that has attracted widespread interest. Write to the Acacia Mutual Life Insurance Company, Washington 1, D. C., for a copy.



Acacia Mutual Home Office Building

Facing Nation's Capitol

Women's Session Big Hit

**Sales Panel Is a Feature;
Many In Attendance**

A panel discussion by seven women agents brought out many new selling slants at the women's session Wednesday afternoon. Besides the panel there were addresses by three women not in insurance selling.



Elma Easley

celia Howard, New York Life, Buffalo,

and Mrs. Mary Mercer, Business Men's Assurance, Augusta, Kan.

Elma Easley, California-Western States, Portland, Ore., was chairman of the session.

Following is a summary of the main points of the panel speakers:

Miss Sweazea—A large percentage of my business comes from professional people. They are our natural contacts. Our fluctuating incomes present a problem common to both which is often solved by the simple method of discounting some premiums. We are recommending they adopt for their own security the same investment solution and protection we are using for ourselves and our families.

Usually they can afford to buy in paying quantities. Our general agent, Frank M. See, often says: "The big man's 'no' is no bigger than the little man's 'no'—but oh, when he says 'yes'—what a difference!"

A HEARTY WELCOME!

The Midland Mutual Life extends greetings to all Underwriters attending the FIFTY-SEVENTH ANNUAL CONVENTION in Cleveland, September 9-13, 1946.

**The
Midland Mutual Life Insurance Co.**

Columbus 16, Ohio

Over \$103,000,000 in force in Ohio

The first interview with the professional man is the real obstacle to overcome and it requires imagination, ability and tact to procure. Once accomplished and this subject clearly presented, he will gladly make himself available to us and, in addition, show his interest and appreciation by recommending our services to his friends and associates.

Repeat Sales to Doctor

Several years ago I made a call on a physician who was a stranger to me. He owned a small contract with my company, was past 50 years of age and thought his insurance buying days were over. An analysis of his situation uncovered needs for which provision has now been made through life insurance. Six different times he has bought. Three additional purchases have been made on his daughter's life with premiums discounted. Through the years he has referred me many times—and business always has resulted. Sometimes it has been another prosperous physician; sometimes a hospital employee whom he wishes to succeed. To date 33 different pieces of business for substantial amounts and premiums have resulted from this source.

Case of Young Physician

One day he sent for me and introduced a young physician who thought he wanted an educational policy on the life of his month-old baby. He bought family income on his own life. He increased his insurance seven different times, and by then there were three young children and he was thirty-four years of age—and working too hard. One day his wife called me to the hospital. He had suffered a coronary thrombosis. He wasn't seeing visitors but he wanted to see his "insurance man," as he called me. His physician, also a client, took me into the room. The patient said, "I'm going to be all right—I want you to know. I'll be all right because 'I don't have to worry.'"

Fortunately we were building soundly. His future earnings had been capitalized to the extent that his family could maintain their present standard of living. The children would have their educations. His wife would have monthly checks as long as she lives—waiver of premium feature was on all of his insurance. Health and accident policies had been added too. So, he didn't have to worry. After months in the hospital and in Florida he returned to a limited but highly remunerative office practice. This year he has earned insurance four times—on the lives of his wife and their three children.

MR. HIGH TAXES

Miss Crowe—Practically all my tax prospects have come out of the society and business pages of the newspapers. The cases I shall cite are all persons having incomes from \$50,000 to \$100,000 yearly. A simple tax letter sent as a pre-approach has been my entree. Taxes

have gotten me in to see people I never could have penetrated with a life insurance approach. Taxes have helped me sell nearly \$750,000 of insurance and annuities to a number of people who not only had never owned insurance but were determined not to buy life insurance. So I didn't sell them insurance—I sold them the solution to a tax problem.

Kicked Out Eight in Two Years

Take Mrs. X whose initial greeting to me was, "I've kicked out eight insurance men in the last two years. What do you propose to do?"

When I smiled and said, "I don't know," she asked me in. She was 67 years old, she owned no insurance, (there was then a \$40,000 insurance exemption) she was worth a million dollars, and she had used none of her gift tax exemptions. When I had a picture of her situation, I asked for a week in which to study her case. Back at my office I started to work out a \$10,000 proposal but idly added another zero with the mental note that she probably wouldn't, or couldn't buy it anyway. In the margin I doodled the figure \$650 which was the amount of a note I had to pay off at the bank in thirty days. I didn't have the first cent toward it. Well, after a week I went back with an outline for using all her tax exemptions and a proposal for \$100,000 of single premium life. At that time the use of all her exemptions would have reduced her taxes by \$55,000. I wish I had the time to tell you the whole story, but she bought the \$100,000, passed the examination, and I received my commission check the morning the note was due at the bank.

Gave Away \$250,000

The day I called upon Mrs. Y she said, "I got a kick out of your letter because I've just given away \$250,000—so I guess I've saved a lot of taxes, eh? But what do you know about these annuity things the Paradise Mutual keeps advertising?" Imagine asking an Equitable agent that question!

Well, in the last 11 years I've sold Mrs. Y \$20,000 of 5-pay life, \$60,000 of single premium deferred annuities, and when those were removed from the market, I began selling her single premium endowments for her grandchildren and children to reduce her estate tax and use her gift tax exemptions.

I then sold her daughter \$36,000 of ordinary life to provide cash for taxes on her estate, and her son-in-law \$50,000 to provide for the same purpose—with each paying the premiums and controlling all the incidents of ownership on the other's policy to make them tax free.

Cash Value Pays Premiums

This past June when Mrs. Y's smallest annuity matured, we found it would provide a piddling income, but by a curious coincidence I discovered the cash value was almost exactly the amount required to pay an annual premium on a \$10,000 20-pay life on each

Two District Encampments for Woodmen Uniform Rank

More than 1,000 Woodmen of the World members will attend the Society's semi-military Uniform Rank district encampments at Camp Couchdale, Hot Springs, Ark., August 25-31, and Myrtle Beach, S. C., September 9 to 12.

Instruction in drill, guard mount, guard duty and parades will conclude with competition for prizes in field drill, floor work and individual competition. Athletic sports and other recreation will complete the encampments' activities.

WOODMEN OF THE WORLD
Life Insurance Society
Omaha, Nebr.

of her eight grandchildren. Come Christmas, the use of her gift tax exemptions will discount nearly all the premiums in advance. If not, the balance of grandmother's annuities is payable on a 20-year certain basis.

I'll always have a soft spot for the society editor to whom Mrs. Y's return from a summer in Michigan was just another news story. It was news for me because I'd never heard of the lady before. We are now acquainted to the extent of thirty-nine policies on fourteen members of her family for a total of \$330,000 of insurance and annuities and some \$4,000 in commissions, over the years. Until I sold them their policies not one of these 14 persons ever owned a penny of life insurance, because "they didn't need insurance!"

"Positively Not Interested"

When I introduced myself to Mrs. Z, who is Lady Bountiful to certain charities in my town, she said emphatically, "It would be a waste of time to talk to you for I am positively not interested in any life insurance!"

"Would you spend five minutes learning about a legitimate income tax deduction?" She would. "Mrs. Z, I have observed from the papers that you devote a great deal of your time and talent to certain charitable institutions. May I assume for a moment that you plan to remember those charities in your will?"

"I have just drawn a will naming each for \$1,000," she interrupted.

"I think that's wonderful, but did you know that there are three chances that those bequests will never be paid?" She looked a bit startled and I continued. "In Ohio if a testator dies within a year after designating a bequest by will, the bequest is void. Secondly, your will can be broken, in which case charitable bequests probably would be deleted. In the third place, your estate might be insolvent because of insufficient cash to pay taxes."

"H-m-m-m," she said, "those must be the reasons why Children's Hospital has lost several bequests in recent years, but I don't want to obligate myself into the future for a lot of insurance premiums if that's what you have in mind."

Too Good to Believe

"Mrs. Z, if for each \$1,000 you want to leave to charity you could deposit today \$642 and in exchange receive a written guarantee that within twenty-four hours after your death, regardless of whether you die within twenty-four hours or forty years, whether your will is broken, or your estate is bankrupt—the Equitable Society will pay \$1,000 to each charity you wish to remember—and if that \$642 were deductible from your income tax this year . . ."

"Do you mean," she interrupted again, "that I'd never put up more than two-thirds of the actual amount of the bequest, that I could deduct the premium from my income tax now, and have a written guarantee that all my bequests would be paid in full, regardless?"

"If you will, when you purchase the policy, permanently vest complete control of the policies in the charity you designate as beneficiary, and if the premium does not exceed 15% of your income, that is true."

In this instance, a \$2,000 bequest would result in a \$780 income tax reduction, making the actual net cost of the bequest, when the \$780 reduction was subtracted from a \$1,292 premium, only \$512.

When I delivered the policies to Mrs. Z, she was quite willing to listen to what I could tell her about federal estate taxes, though she assured me again she would not buy any more life insurance. However, after I, accompanied by her, had repeated, at her request, to her broker and attorney just what I had told her, she gave me, at their suggestion, a check for an annual premium on \$25,000 of 20-pay life.

I wish there were time to illustrate how a man age 51, in the \$100,000 income tax bracket, can leave a \$100,000

bequest to charity at a net cost to himself of approximately \$250 per year. You can figure it out with the same formula. I might add that in these days of almost confiscatory income and estate taxes, the future of the charities looks dark indeed. A good insurance agent with a keen tax sense is their last glimmer of hope.

A final word of advice before you start out with a tax service under your arm. Tax cases are heartbreakingly slow and ever likely to evaporate, so with regard to commissions, never enumerate your juvenile poultry until the process of incubation has fully materialized!

On Main Street

Miss Brockus—Let's walk down Main street of Corpus Christi, Texas, looking for life situations:

The first person we meet is Mack, the sailor, a man of 25 with a wife and two small children. He is a chief metal-smith, making approximately \$350 per month. Their home is on the station, government owned and furnished, for which they pay \$25 per month. The necessities of life can be purchased at the ship service stores for almost cost and tax free, so you see his salary will

reach further than will that of John Q. Civilian of the same salary.

However, for 20 years he is faced with packing up almost over-night and moving to duty elsewhere—and moving takes money. Also, he is not always so fortunate in obtaining living quarters on the station, so he is faced with high rents, buying furniture, and other hardship problems. Therefore he must have an emergency fund available at all times. What do you think of Mack's possibilities of owning a home?

Temptations to Spend

Mack's temptations for spending



THOMAS B. MORRIS
is the leading producer in paid
business for the month of July

The MAN of the MONTH

When a fellow has a grand business, a fine Company to support it, and a swell feeling of the future, it's just sort of foolish not to feel a little possessive. Since I'm going into my fifth year in the business, it's a good time to take inventory and determine the things that contributed, not necessarily to any sales success, but rather to a genuinely good feeling about the business of being an insurance man.

It seems the longer you're in, the easier it becomes. Being identified by more and more people, the by-product obviously is more and better results.

However, all of your enthusiasm and contacts can mean little unless backed up by your associates and leaders of your own company. We, in the Ohio State Life, think of the organization as a ball team with every one picked and expected to play his position. We have a lot of fun playing this "ball game" because everyone from President Adams on down gives enthusiastic support in order to have a winning team.

Thomas B. Morris

CLARIS ADAMS
President

★

FRANK L. BARNES
Vice President
Director of Agencies

THE OHIO STATE LIFE

Insurance Company



COLUMBUS, OHIO

money are many. There are times when his duty is in foreign territory and he is separated from his family for a year or so. How many times has he said to me, "Just before I returned to the States my wife spent 400 bucks—she got new clothes from the skin out; you should see that black nightie that set me back 25 bucks—then too, the kiddies had to have all new clothes. You know, I had sea duty so long I almost forgot how to drive a car, so I bought one to keep in practice."

Corpus Christi has the largest naval air station in the world and while working on Main street since the first of the year I have sold \$1,017,286 to Macks, whose theme song seems to be spending rather than saving. With all these problems, how on earth can a life underwriter tie the young sailor down to the operation of a definite savings and investment plan? May I tell you the sales technique that I have used.

People are easily attracted—but only by inspiration and enthusiasm. Remember no sale is made until you first get through the door. Breathe in that happy, expectant, buoyant attitude as you step up to the door and no crank on earth will keep you on the outside. Natural curiosity alone excites his interest to explore what else you have to offer besides a magnetic personality.

Once across the threshold, don't dare let down just because he offers you a chair to fall into. Then is the time to put your house in order and think, think and keep thinking. Some famous philosopher once said, "Man's greatest desire is to be praised." So whatever you say to him that compliments him and draws him closer to you, gives you more time to adjust yourself to your surroundings. It is the quickest way to crack the ice.

The next step is concentration—concentration which, at first sight, is obtained by elimination, the elimination of objects not harmonious with our trend of thought. This can be best obtained by the conjuring up of a suitable background. Therefore, I always suggest that we move to a table where I can demonstrate my words into a visual picture. This puts us into a more informal and cooperative mood. Also, I can display my wares to a better personal advantage. Interest of any kind produces concentration naturally, which is a very important factor in the sale.

Stress Earned Income

Great stress is placed on earned income. Greater stress is placed on saving, because most of my prospects are young men in the service whose ages range from 20 to 30 and have a

lifetime income upon retirement. Most of them have been in the service five to 10 years and have a happy expectancy of retiring to a nice little home or business at the young ages of 37 to 47. I picture that little house, the backyard with the flowers and the barbecue pit, so vividly, that he is moving in today. With the past experiences of a housing shortage fresh upon his mind, it is the ideal time to talk saving for the future. Inspiration means "breathing in."

Breathe the burning desire for that little home or business into your prospect so strongly that he is willing to make any sacrifice now, for that great possession of tomorrow. You wonder if such things are possible. Yet you can be a miracle worker yourself—at once! Just be an inspirationalist! You can change your man from ordinary to extraordinary. Give him the ideal. Face him toward the goal and then show him how he can reach it through an endowment at 65, 20 premium. Have him so inspired with saving that he will want to protect the investment for all he can, should premature death intercede. Show him how this can be done through the miracle plan of the family income rider to protect the little ones through the elementary grades and on into high school. Perhaps the highest loyalty next to God is loyalty to one's home and family. Energize him with the forces of thinking, thinking of the better things in life, such as the safety and security of his family, money, power independence and freedom from financial worry.

Direct his thoughts upward and prove to him that the institution of life insurance can do all of these, and I'll guarantee he will be afraid not to sign the application, and that he will have no peace of mind until he hears the doctor say, "You're a pretty good specimen."

Sole Proprietors

Miss McConnell—Every business man has business problems, and among business men no person is more in need of intelligent life insurance service than the sole proprietor. The vital fact that his personal and business affairs are so involved makes it, in the great majority of cases, imperative that both his personal and business estates be carefully reinforced with life insurance.

The sale usually is made in the first few minutes of the interview if you have presented an idea that appeals to him. So I usually try to choose my words to get his attention. On one case, I started the interview like this:

"Mr. Smith, a man who has stock in a corporation has a defense against creditors. They can't go beyond the stock. But a sole owner has no defense against creditors. No kind of property that he can buy is safe from creditors except life insurance. You are jeopardizing your home, and everything you own and want your family to have, unless you have an adequate insurance program." This approach really interested Mr. Smith, and after getting the full picture, it was only a matter of deciding what plan to buy.

Insured Key Men

In another business insurance case, I knew the sole proprietor had several capable key men in his organization. On interviewing the owner, I started the interview in this fashion:

"Mr. Jones, I would like to ask you a question. Would you sell your business today at one-half of its real value, if you didn't have to sell it?" He answered, "Certainly not."

"Well then, Mr. Jones, if you wouldn't let your business go for half its value now, you certainly wouldn't want your executor to be forced to sell it at half its value if something should happen to you—would you? That is exactly what may happen to your business if proper arrangements aren't made during your lifetime for orderly disposal of it."

This approach led up to discussion of his key men, who didn't have any money to buy. Several interviews followed later, after the facts were learned. The case was closed, and financing it handled

in this way: The owner was in a high income tax bracket. He cut his salary a little, without costing him much, as it was off the top block of his income. Then he raised the salaries of his key employees, so they could easily pay the premium. Mr. Jones got credit for being big-hearted, the purchase agreement was financed with life insurance, his employees were better employees, because they knew they had a future in the business, and everybody was happy.

"Discounts" Inheritance Tax

Another approach I have used is this: "Mr. Merchant, I am sure you, like all good merchants, discount your bills in advance. Then I would like to talk with you about the bill I doubt you have discounted in advance, namely your inheritance tax. These taxes come due one second after our death and very few merchants (that is successful ones) keep large amounts of accumulated cash on hand for this purpose. I have a plan whereby you can yearly make deposits with my company so that the monies will be available at your death to pay this tax, without disturbing your present insurance program. You, therefore, would be following the same sound business plan you have followed in the past, namely, discounting this bill in advance." That approach was the beginning of another good case.

Here is an idea that I use quite frequently and one that has proven helpful to me: If you run across a good idea in one of your trade magazines, that you believe will fit a client of yours, type it out on a 3x5 card, showing source of information and show this to your client, asking his opinion. A few weeks ago I read an idea in THE NATIONAL UNDERWRITER. I typed it out on a 3x5 card, and showed it to several prospects. Here is what it was: "The Treasury Department is beginning to enforce section 102 of the internal revenue code, which penalizes unreasonable accumulations of corporation surpluses. Corporations have built up surpluses rather than declare dividends which would be taxed to stockholders. Only current earnings are involved. A good way to protect these earnings is to earmark them for real business needs through life insurance on the lives of key men and employees in general. Such needs have never been challenged and are considered bona fide."

As a result, in one particular case, I should write approximately \$50,000 insurance in the next 30 days. All of this is not business insurance, but it opened up a new avenue, and my client appreciated my taking an interest in his business.

Certainly business men have problems. Your job is to uncover those problems and solve them with intelligent application of life insurance.

Third Party Sales

Miss Hull—When I had been selling for about six months, I called on a professional man whom I knew. He immediately informed me that he was uninsurable but that he might be interested in an annuity, for his own retirement income, with an annual premium of around \$1,500. At that time, I wasn't sure exactly what an annuity was so I decided to try to find some other solution.

Questioning brought out the fact that he was divorced, that he had a 13-year-old daughter for whom he had established a trust fund, that he had a \$6,500 educational policy on her life, and only \$5,000 paid-up insurance on his own life. While he was particularly interested in retirement income for himself, he also wanted a plan that would benefit the daughter. I did not believe that an annuity would accomplish what he wanted.

I suggested \$32,000 20-year endowment on the daughter's life, age 13. He liked the idea and this amount was sold, divided into two contracts. On one contract, he paid an annual premium and 10 discounted premiums; on the other, an annual premium and five discounted premiums.

The father owned and controlled the

CONGRATULATIONS TO N. A. L.I.U. MEMBERS

Progress of life insurance in recent months has evidenced the fact that—

The Life Underwriter and the Life Insurance business are held in higher esteem today than ever before.

Your Bond of work during the war, your civic pride and leadership, your far-sighted policy on National Service Insurance, your sound, conscientious advice to policyholders and beneficiaries is winning for you a place of deserved confidence. Your record for 1946 to date is outstanding.

IT WILL INTEREST YOU TO KNOW

—that INDIANAPOLIS LIFE men and women are in the forefront in all these worthy objectives and accomplishments.

NEW BUSINESS IS 81.5% ahead of the same period last year

GAIN OF INSURANCE IN FORCE for the first seven months exceeds by almost \$1,000,000 the gain for the ENTIRE YEAR 1945—which was the largest year in our history.

TRAINING and RETRAINING—

modern working tools, the stress on "Quality, Service, and Safety" are spelling substantial progress during our 41st year in business for the Company and its representatives. ||

INDIANAPOLIS LIFE INSURANCE COMPANY

Indianapolis 7, Indiana

**A Quality, Legal Reserve, Mutual Company
with over \$169,000,000 of insurance in force.**

EDWARD B. RAUB
President

A. H. KAHLER
Second Vice-President

policies and was the beneficiary, either as a death claim or as an endowment, with the control of the policies passing to the trustee in the event of his death during the daughter's minority.

Three years later the father completed all premium payments on one policy and paid several additional premiums on the other. Knowing that his income was still large and that premiums on the original contracts were paid so far in advance, I suggested that he buy additional insurance on his daughter's life to provide himself with a larger retirement income. I proposed \$43,000 income endowment maturing at age 55, on which he could take income from the cash values at any time after 10 years, or he could continue to pay premiums as long as he wished to do so. This met with his approval and this amount was purchased, giving him a total of \$75,000 insurance.

Likes Insurance Program

He is very happy with his insurance program because it solved several problems for him and for his daughter if his death should occur. The plan gives him \$75,000 protection, although this was not a primary consideration; a non-speculative, management-free form of investment, which was important to him because he was much too busy to bother with investment problems; a flexible maturity date for his own retirement income, a depository for funds in the form of advance premiums during the years of high income, a reserve fund which can be used for estate costs, either by withdrawal of advance premiums or by loans against the policies, thereby making forced liquidation of other estate assets unnecessary and actually increasing their value, and a joint and survivorship income for himself and daughter if desirable.

If his death should occur, it provides his daughter with cash reserves (as premiums now stand—\$10,000 at age 24, with an additional \$14,000 at age 33, plus all accumulated dividends); large amounts of paid-up insurance, and contracts on her own life on which the trustee may continue premium payments if desirable; flexible maturity dates, with automatic trusteeship of funds.

If the father dies, the daughter comes into full control of the policies and other trust assets at age 30, before any of the policies mature.

The plan establishes a lifetime program for both father and daughter with the greatest possible flexibility. Furthermore, since the father has an estate problem, the fact that only the cash values and amount of advance premiums is taxable in his estate, rather than the face amount of the policies, is a distinct advantage.

JUVENILE INSURANCE

Miss Howard—A child should be insured to cover a very important financial loss to its mother. For example, let us take a man age 35 earning \$200 a month with a wife age 30 and a son age 5. If this man dies, his wife and child will draw social security benefits of approximately \$48 a month until the child reaches age 18, drawing about \$7,500 in 13 years. However, if the child dies after the father an before reaching the age of 18, this mother would lose this social security income. Further, unless the child was insured, the average widow finds at the death of her child, before reaching the age of 18, that the program of protection that her husband set up for her, was used to defray the final expenses of the child and, with the loss of the social security benefits, her financial future is dangerously impaired.

A father buys life insurance to minimize estate taxes. Here too a child plays an important part in this program. Wealthy parents may pay premiums of life insurance on their child up to \$3,000 per year without paying gift tax and if they have no incident of ownership this reduces their own estate tax and benefits the child's financial future both ways.

A father buys life insurance to save

systematically for his retirement and the average man looks forward to receiving at least \$100 per month at age 65.

Difference in Cost

Let us take, for example, the man age 35, earning \$200 a month. If he and his wife both lived to be age 65 he would draw social security benefits of approximately \$68.25 per month. Therefore, he would need \$40.00 per month more to complete his insurance program. This would cost him at age 35, retiring at age 65, \$248 per year and even though he left all his dividends with the company, he would still have to pay premiums for approximately

22 or 23 years or until age 57.

A child has a much more favorable advantage for his retirement. A father buying \$5,000 on the child's 30-year endowment plan at birth invests \$140 per year, or \$2,800 in 20 years and at age 20 this young man could take the paid-up option and have an insurance estate of approximately \$8,200 including dividends.

If this policy were paid up at the end of 20 years and the policy and dividend additions were allowed to remain with the company, this young man could either withdraw approximately \$7,800 in cash at age 60 or take a life income of approximately

\$41 per month, for a total investment of \$2,800. His father starting at age 35, practically a very young man, would have to pay approximately \$5,456 from age 35 to 65 to guarantee himself \$40 per month at age 65, five years later than the boy, and the father would only have an insurance estate of approximately \$6,624 for this larger investment.

Helped by Foresight

The juvenile with the far-sighted parents would have an investment of \$2,800 and a choice at age 60 of either \$7,800 in cash or approximately \$41 per month for life

(Continued on page 27)

Some of Our Recent Advertisements IN LEADING INSURANCE JOURNALS

The Commonwealth Commentary

A TRUE PERSPECTIVE
It is no longer a question of "Are we going to have inflation?" but rather "What are we going to do about the inflation we already have?"
Too often, many of us in our thinking refuse to accept the facts in their true perspective. Many of us are failing even now to realize that prosperity can easily be the pretty name given the ugly fact of inflation—we are joyful over our increased incomes instead of being sad over the loss of our buying power.
Life insurance, short of total inflation against the individual investor one of the few safe means, and in some instances the only practical way, of hedging against the effects of a monetary devaluation.
It is the duty of every life fieldman, in the interest of the industry's public service commitments, to bring home to policyowners, future and present, the necessity of buying life insurance in amounts equivalent to the degree of dollar depreciation, as a means of checking present inflation, and of guarding against future monetary devaluation.
Insurance in Force, April 30, 1946—\$279,508.652

The Commonwealth Commentary

FIGURES CAN BE EXCITING
Do you know which are the most exciting of all the figures in your rate-book? This, of course, is a matter of opinion, yet there are many who believe that by far the most magical are those which relate to paid-up insurance. A thorough understanding of the value of the service your convictions about your enthusiasm, and will greatly increase your ability to answer the prospect who asks, "What if I must quit?"
All of us know the single premium policy to be a superlatively fine investment—but many of us fail to realize that by the same token the reduced paid-up values in every life insurance policy we sell also constitute superlatively fine investments, for they are single premium policies purchased at net rates.
Insurance in Force, May 31, 1946—\$283,557.012

The Commonwealth Commentary

INCOME RINGS THE BELL
There are two kinds of income—and only two: one stems from a man at work and the other from dollars at work.
If you can bring your client to see this solid fact, he must automatically arrive at the conclusion that when his earning power is worn out or impaired when his savings power is worn out or destroyed, he must be ready to wait for income. And you ready and waiting to take care of him—the most perfect answer to this problem—for life insurance pays NO income when it is NOT needed so that it can income when it IS needed.
This idea of income is fast replacing the old goal of piled-up money. His merchandise is life insurance, and becomes wealth in the American conception of a nature to match his conscious or subconscious goal, your story will take concrete form as an application in your pocket.
Insurance in Force, May 31, 1946—\$283,557.012

The Commonwealth Commentary

A RESTATEMENT OF POLICY
As the country settles down more calmly into the peacetime life and the returned veteran becomes a present-day citizen than a soldier-of-yesterday, we think that a recapitulation of our views on National Service Life Insurance gains additional value in the present calmer atmosphere. Our considered opinions of NSLI, expressed before and here repeated, are these:
THAT NATIONAL SERVICE LIFE INSURANCE IS GOOD LIFE INSURANCE.
THAT THE VETERAN WILL SERVE HIS OWN INTERESTS BEST IN PRACTICALLY ALL INSTANCES BY KEEPING AND CONVERTING ALL OR PART OF HIS NSLI.
In the light of these estimates of the worth of NSLI we continue to urge our underwriters to counsel all former servicemen to retain their service life insurance, making use of the liberal reinstatement provisions if it has lapsed, and to build their life insurance estates around this excellent cornerstone.
Insurance in Force, June 30, 1946—\$287,534.545

COMMONWEALTH LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President
WHERE QUALITY MEN ARE BUILDING QUALITY VOLUMES

COMMONWEALTH
LIFE INSURANCE COMPANY
Home Office: LOUISVILLE MORTON BOYD, President

THE FRASER AGENCYConnecticut Mutual Life Insurance Co.
Hartford, Conn.JOHN M. FRASER, General Agent
Main Office149 Broadway *BARclay 7-9300*1440 Broadway *Uptown Office*
New York *LONGacre 5-6990***OSBORNE BETHEA**

General Agent

The Penn Mutual Life Insurance Co.

50 Church Street

New York City

**KRUEGER & DAVID
AGENCY**THE NORTHWESTERN MUTUAL
LIFE INSURANCE COMPANY386 Fourth Avenue
New YorkHarry Krueger, C.L.U. *Walter S. David*
General Agents**JAMES G. RANNI**

Manhattan Life Insurance Co.

General Agent

521 Fifth Avenue

New York

**THE CHARLES B. KNIGHT
AGENCY, INC.**

General Manager

The Union Central Life Insurance
Company

225 Broadway New York, N. Y.

WALTER E. BARTON, Pres.
PAUL S. RANCK, Vice-Pres.-Treas.**H. ARTHUR SCHMIDT
AGENCY**

NEW ENGLAND MUTUAL

217 Broadwa

New York

CORland 7-3870

CLANCY D. CONNELLProvident Mutual Life Insurance
Company

99 John Street


New York

CORland 7-4790


**MEYER M.
GOLDSTEIN, C. L. U.**The Connecticut Mutual Life Insurance
Company of Hartford

527 5th Avenue

New York



Greetings
TO THE
NATIONAL ASSOCIATION
of LIFE UNDERWRITERS
from NEW YORK
GENERAL AGENTS and MANAGERS



The Mutual Benefit Insurance
ARTHUR V. UNGMAN
General Agent
1351 Broadway
New York City

2nd Day

AETNA LIFE INSURANCE COMPANY

O. A. KREBS*
General Agent

151 William Street, New York
REctor 2-7900

MANUEL CAMPS, JR.

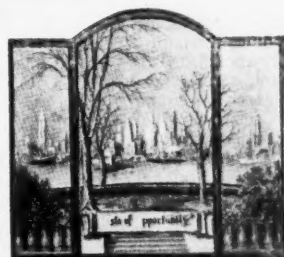
General Agent



Suite 601, 110 E. 42nd St., New York
MUrray Hill 3-8260

DOWNTOWN AGENCY THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

Home Office—Newark, N. J.
GERALD A. EUBANK, Manager
40th Floor—40 Wall Street
New York



Clifford L. McMillen
General Agent

K. A. LUTHER & CO.

General Agents

K. LUTHER L. W. SECHTMAN
Aetna Life Insurance Company
Lincoln Building 60 East 42nd Street
New York
MUrray Hill 2-0200

THE JULIUS M. EISENDRATH AGENCY

The Guardian Life Insurance Co.
1800 Empire State Building
New York 1
CHickering 4-4400

THE C. PRESTON DAWSON AGENCY

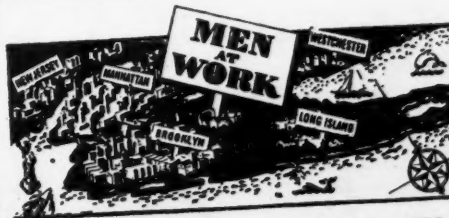
New England Mutual
527 5th Avenue
New York
MUrray Hill 3-1460

THE BEARDSLEE AGENCY

Columbian National Life Insurance Co.
LESTER E. BEARDSLEE, JR., General Agent

45 John Street
New York

BEekman 3-4424



A. J. JOHANNSEN AND ASSOCIATES
NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY
74 Trinity Place, New York

Mutual Ben Insurance Co.
THUR YNGMAN
York City
351 Broadway

How "Third Party Influence" Helps

(Continued from page 7)

time—I keep pounding them with John Arden and Life Insurance in an effort to bring them back when they want more.

"For a long time I've always congratulated a policy owner on 'buying' or 'starting a program' and expressed my appreciation for the opportunity given me to assist him in arranging for it. I know it's good psychology."

Mr. Arden uses many methods of local advertising to keep his name before the people of the town.

He has two mailing lists. "One is my 'scatter-barrel list' and includes the names of every funeral director, bank, doctor and preacher in my section, certain specific centers of influence, promising young men, new-comers to our section, 50 of the most promising farmers recommended by our county agent, certain good prospects and suspects. This list goes out on Tuesday following the 10th of every month."

"My other list is made up of 100 preferred centers of influence and prospects and is mailed the next week. These mailing lists pay off—if kept active and up-to-date—and are worth much more if followed up."

One elderly physician had been kept

on the mailing list, not with the idea that he would buy anything but with the idea that he might mention Mr. Arden's name to someone else. One day when they met on the street, the doctor told him the mailings were a waste of time and money, but asked him what an annuity was. He had an impaired and dependent son, whom he would care for as long as he lived, but hadn't figured out a way of guaranteeing him a dependable income after the father's death. The solution was a single premium long term deferred annuity, with death benefits payable to the son on a life income basis. That sale was made solely because a pamphlet on annuities had caught his eye.

A young man whose father had bought \$1,000 20-pay life for him in 1928 was away from the community for some years but later returned and became a successful farmer. When he returned Mr. Arden put him on his mailing lists but hadn't been able to get out to see him. Some months ago he came into the office to talk about an insurance program and as a result one was set up sufficient to educate his children and keep his home together until his baby girl is 22.

Assisted with Father's Insurance

When the son of a substantial farmer returned after going to college and "playing around" for a few years, Mr. Arden put him on the "scatter barrel" list, but didn't see him for three years. When he heard of the father's death, he drove out to the farm and offered the son

his assistance in looking after the father's insurance. Shortly afterward a stack of policies, none of them with his company, was brought in and he made all necessary arrangements. The son offered to pay him but he refused, stating that he felt his years of experience in the business demanded that he do that much. He suggested that Mr. Arden come out to the place sometime and write his wife for \$2,500. That visit also resulted in an application for \$25,000 from the husband. Finding that he owed \$15,000 on a ranch, Mr. Arden ordered \$15,000 more and delivered it. When his son was born, he bought \$5,000 20-pay life for him and a complete educational endowment program on his own life, later adding \$5,000 more for the son. Mr. Arden has assisted three more of his family to buy nice programs—"and I don't think he's through. I know he still has some kinfolk who should buy—and he has lots of prestige in his community."

Result of Handling Claim

A wealthy man, an orphan policyholder of his, who had been rather a trial to Mr. Arden in some of the dealings he had had with him, died at 78. He lived in a small country town 15 miles away and Mr. Arden's first thought was to "let somebody else handle this claim. I don't have time." Finally, he decided to drive over and offer his assistance to the widow. He found her business adviser was a spinster niece living in a nearby city, a very successful business woman and owner and operator of a small factory. This contact led to sizable business policies on her life, her shop foreman, her office manager, personal insurance on these two key personnel and then a payroll deduction plan for all employees. "I was rather well paid for handling that claim, and because of the favorable introduction I had to the niece, it was 'low pressure buying'."

"I know my mailing lists pay off and I know my general advertising is worthwhile. I like the good-will engendered and the repeat business from my birthday and wedding anniversary reminders from the nearly 4,000 names in my files. I believe a 'low pressure buying' campaign developed over a number of years is the easiest, most pleasant and most satisfactory method of making a good living in the life insurance business."

Says Low Pressure is Best

(Continued from page 7)

his failure, Mr. Maltby said, was that he did not solicit the man with a check book.

"Remember this, you young fellows," he urged. "Check book prospecting is the best bet. It saves shoe leather; second, it saves lapses and third, it saves you. If we do a good job for a business or professional man; do you think he will send us to a janitor?"

"Above all, let's do this: Let's try to make the other fellow like us. I've found out in my many years on the street that I can't make the President's Club on applications I've taken on the lives of my enemies."

"These fellows I've sold seem to be satisfied. They don't seem to be concerned whether we are on a 1, 2, 3 or 6% reserve basis. They do know that their money is in good hands. If that little piece of paper they went to the check book to pay for, says Mary and the kids will get \$100 a month for 10 years, that's just what it will be."

Don't Overlook Endowment at 18

In one case he cited, his third party influence was a nice business insurance case, rated for overweight, with endowments at age 18 for his two boys. As a result of a tip from him, an educational endowment \$1,000 payor clause on a boy 1 year old, neither of whose parents Mr. Maltby had ever met, was closed on the first interview. "Let's not sell these 1,000 endowment age 18 short," he commented. "Maybe he can't go four years to college on it, but he can go two years to junior college, and then you will be in there pitching with \$60 or \$65 a month in the junior and senior years."

A lawyer policyholder, told him that his secretary's husband, a bricklayer, was talking about insurance. He wanted to quit laying bricks when he was 60, "and so we are

"The Company Back of the Contract"



A WELL BALANCED COMPANY

What is a well-balanced company?

It is, we believe, a company whose financial structure is sound . . . Whose geographical market embraces a balance of metropolitan, town and rural areas . . . Whose Head Office is advantageously located with respect to prompt service to policyholders and agents . . . Whose policy contracts include all fundamental coverages . . .

It is a company whose contributions to its industry have been recognized as outstanding . . . Whose growth has been steady and uniform . . . Whose size is sufficiently large to assure confidence and prestige . . . Whose management, nevertheless, has never lost the common touch with agent and policyholder . . . and whose reputation as a friendly company has been consistently upheld.

Fidelity is such a company. It operates with general agencies in thirty-six states. It has been "Faithfully serving insurers since 1878."

THE FIDELITY MUTUAL LIFE INSURANCE COMPANY

The Parkway at Fairmount Avenue
PHILADELPHIA
E. A. ROBERTS, President



Judd C. Benson, Union Central Life, Cincinnati, pondering the ponderable.



No personal insurance program is complete without DISABILITY COVERAGE

Your policyholders are good prospects. Complete their personal insurance programs by pointing out to them the importance of adding benefits for time lost because of sickness or accident. You'll find them keenly aware of their need for cash indemnity in case of temporary or permanent disability. Any of our offices (in all principal cities of the United States, Canada, Alaska and Hawaii) will show policies which pay from one day to a lifetime, issued by the largest exclusive health and accident company in the world.

Assets Over \$49,000,000
Surplus Over \$18,000,000
Income in 1945 Over \$50,000,000



Tune in! "FREEDOM OF OPPORTUNITY THEATRE" Coast-to-coast over 300 stations of Mutual Broadcasting System. Every Sunday night.

cooperating with him in that laudable endeavor," Mr. Maltby said.

He received a letter from a man in a town 80 miles away, asking him to submit figures on \$50,000 business insurance at a certain time. There were three other life insurance men on the train which Mr. Maltby took to meet this appointment, all going to see the same man. Mr. Maltby got the business and the buyer, at his suggestion, gave him a letter to a Mr. Thomas, a banker in a town about 30 miles farther on. He took a bus and caught the banker just before he was leaving for home.

Showed Application First

"When I entered his private office, before I showed him the letter I pulled the Burns application out and folded it and just showed him the signature. I said, 'Do you know this fellow?' Mr. Thomas exclaimed, 'Know him! Why, Maltby, he is one of the best friends I ever had. I rely on his judgment more than any man in the state. What's he doing, Maltby, buying some insurance? Tell me, how much does he carry?' He was really interested, and so I told him Mr. Burns was buying more life insurance and he said, 'Tell me, how much insurance does Burns have?' 'Well, I'll tell you, Mr. Thomas, if you will tell me how much you carry.' 'I'll tell you.' He pulled out of his pocket a sample policy with a very fine company for a \$100,000, and told me he had been thinking about more insurance. In the next half hour he gave us an application for \$50,000 ordinary life, age 56, a check for \$2,140, was examined on his way home and both of us were happy."

Policy Came Back Rated

But about two weeks later the policy came—rated to \$2,465 premium. I needed \$325 more—what would he say? What would he do? I made some quiet inquiries about Thomas and found him to be a rich man. I called the doctor and he said there was nothing wrong with him. So I took the policy over to him the next day. I opened with: 'Mr. Thomas, I have your policy, but a little higher premium, and I can't understand it, as the doctor gave you a clear bill of health. Tell me, Mr. Thomas, confidentially, did you ever do much drinking?'

"That could have been a boomerang, but here is how it worked out. He said, 'For goodness sake, Maltby, have they brought that old chestnut out? I did drink some at one time, but I have not done any drinking to speak of for over 10 years.' Then I said, 'That's what I thought. Some knocker in town is trying to keep you from getting this policy.' He said it sure looked that way. Then I tried the last move: 'Well, Mr. Thomas, I don't suppose you want to go on record as refusing a policy, do you?' He said, 'Hell, no, Maltby, I'd take it if it was \$1,000 more. I'll show them I can get insurance.' Sounds silly, I know but it actually happened.

"Where would we have been without the third party influence of that letter? Boys, them fellers warn't janitors!"

Wife as "Third Party Influence"

His last suggestion for third party influence was the agent's wife—"one who probably does a better job at handling that renewal account than you do. I know she has an uncanny ability for uncovering expectant fathers."

"Let's try this some night. Get your wife to give you the names of women active in church, P.T.A., club or business, whom she knows intimately, well, or fairly well. Then take out your monthly work sheet—thank her, kiss her good night, and tell her to 'hit the hay'—you have work to do."

"Go out to the dining room table and with this list in front of you ask yourself these questions: 1. Is she married? 2. Do I know her husband? 3. Have I ever given him an opportunity to buy? 4. Have they any children? 5. Have I enrolled them in the juvenile department? 6. Has she independent means—maybe a tax problem? 7. Have I ever given her an opportunity to buy?"

"Let's try it! I'll bet some of you fellows will fill this sheet up. If you do, credit it up to third party influence—your wife."

See the display of publications of The National Underwriter in the Statler. Messrs. Smyth, Roeding and Edwards in charge.

Women's Session A Big Hit

(Continued from page 23)

starting at age 60.

An interesting advantage in favor of the juvenile is that at age 60 the boy would draw \$41 per month and at age 65, he would have received approximately \$2,400, practically the entire investment his parents made for him, whereas his father would have to wait until he reached age 65 to start his income, thereby losing \$40 per month for five years.

A baby only needs to have invested for him \$2,800 from birth to age 20 to receive

an insurance estate of approximately \$8,200 and he would be all through paying premiums at age 20, before he even started his own home. He would have his foot on the first rung of the ladder of independence at age 20.

If a parent were to ask me, "Why should my child have insurance?" I would ask the parent: (1) Would you like to save money systematically from birth to 20 years of age and guarantee your child a savings account which he could use for education and when finished with school could return it so that when he reached age 60 he could retire with a life income? (2) Would you like to know that, after you had spent thousands of dollars on your

child and you and the child's mother had made many sacrifices along the way, your child would be prepared to carry on and take care of his mother if the necessity arose and if the child died that the money you had invested in his education would be returned to his mother to give her a few comforts in her old age? (3) Would you like to go into partnership with your child and explain to him as he entered high school that you had started a fund that would give him security in his old age, thus inspiring him to do a little outside work after school to contribute toward the fund, thereby giving him a personal interest in it and a deeper sense of appreciation?

Continued on page 30)



EQUAL in degree to the careful screening Continental American carries on in the selection of new Field Representatives, is the emphasis we place on thorough training.

We must have Representatives who can meet and sell the preferred class of buyers—the ones who buy the larger amounts. We therefore have developed a practically organized training program that assures the new man with well rounded competence, every chance of success. When he goes out to sell he is *equipped* to sell!

One important reason why this program works, is that during the training period, the new Field Representative is compensated under a sound salary plan.

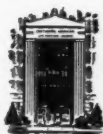
All of this shows why Continental American's field men are outstandingly successful.

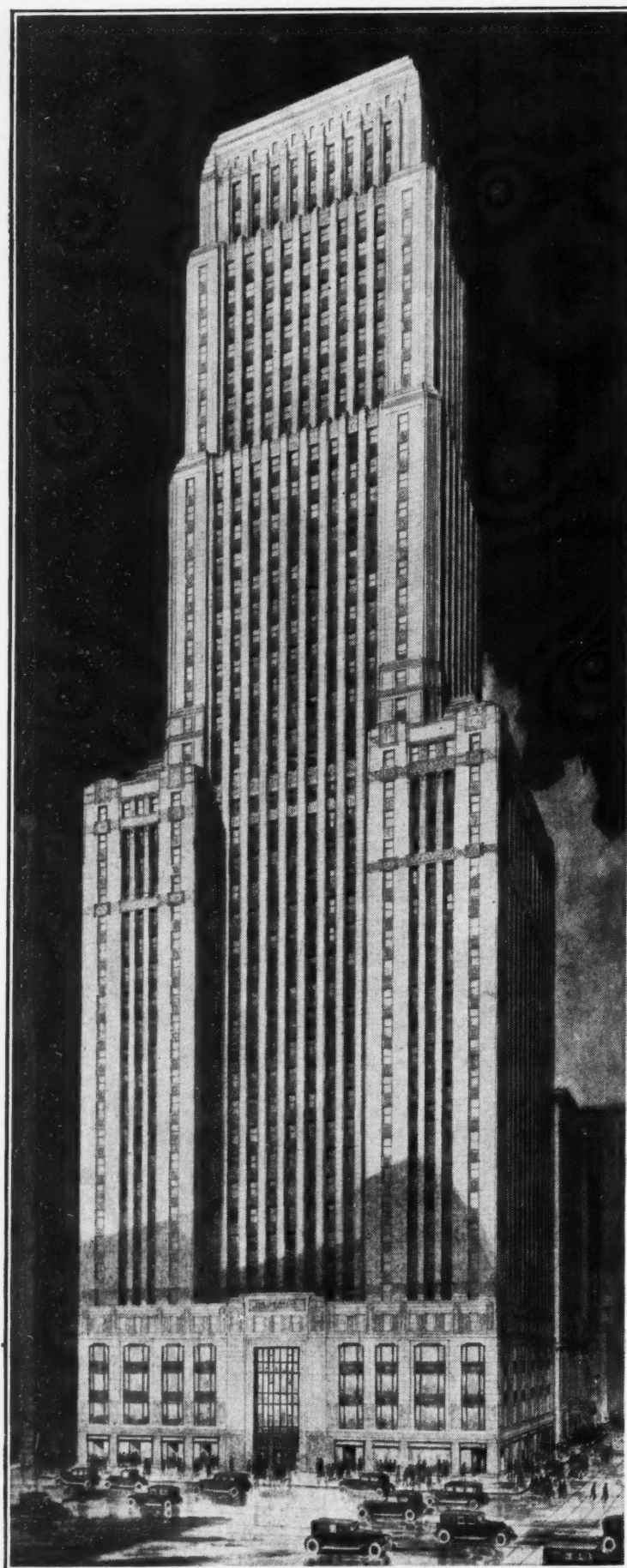
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Vice-President





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ONE LA SALLE STREET BUILDING is the one established Life Insurance Center of Chicago. Twenty-seven of the foremost life insurance firms and agencies maintain offices in this architecturally impressive and centrally located building at La Salle and Madison Streets.

The General Agents and Managers with offices at One La Salle Street whose names appear here have unequalled facilities for handling all life insurance business. Brokers will find prompt and unusual service on brokerage business at these offices. Men who desire to become Life Underwriters and connect with well established organizations that will give helpful aid will find exceptional opportunities available to them in the life insurance organizations located in the One La Salle Building.

The most progressive and modern producing organizations, offering the finest service on life insurance to be found anywhere in the country, maintain offices in the One La Salle Building, the life insurance center of Chicago.

The Hughes Agency is a progressive, aggressive organization, with a staff well equipped to handle those cases in Chicago which you've often thought you would write, but probably never will unless you get someone here to work with you on them.

Underwriters here say we're a good outfit to live with and many out-of-towners say we're a good gang to work with . . . so let's get together on those people who used to live where you live and now live where we live. We're sure we can work out an arrangement profitable to all of us!

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GEORGE HUTH, Associate General Agent

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*An Agency Especially Equipped to Educate
and Develop Steady Producers*

Women's Session Big Success

(Continued from page 27)

Mrs. Mercer—I say I believe my job is not one of selling insurance, whether it be on Broadway or in a rural community, but one of helping people solve their financial problems, making them feel secure, freeing them from fear of the unforeseen, and preparing them to meet emergencies. I feel that by keeping this thought uppermost in my mind it has given me opportunities and prestige in my community.

The world is looking for the person who can do something, not for the one who can explain why he didn't do it. There are few challenges to human nature which can compare with that involved in being accountable for the destiny of another human being.

I feel that we as life underwriters have this privilege and responsibility and, as we know, every responsibility is a privilege. Trustful dependence calls for finest efforts. But we must be able to lose without squealing and win without bragging. Take our share of the world and let other people have theirs.

Mrs. Easley, opening the meeting, said that women agents still have great opportunities. She emphasized that pioneering

can still be done if there is the desire to do it. Women underwriters must keep in mind the possibilities ahead, she declared.

Greetings from the Women's Quarter Million Dollar Round Table were given by Eunice C. Bush, Mutual Life, Baton Rouge, and chairman of that group. She cited the accomplishments of the round table members and urged that all women agents make it their goal to become a member.

Individual thinking as a means of making dreams come true was stressed by Elsie M. Matthews, program chairman, general agent at Montclair, N. J., for Manhattan Life. Life insurance in particular is in need of personal initiative, she said.

Must Talk Over Problems

Life agents are in a unique position to help people talk over their problems, Mrs. Charlotte Lochhead, public relations department of Standard Oil of New Jersey, told the meeting. "You meet more people than teachers; you do more listening than preachers; and you do more explaining than businessmen," she said.

Further, agents get an intimate glimpse of the people in their communities, she declared. They become counsellors and sometimes arbitrators. They develop skills of leadership. They remain individuals, however, she emphasized, but they are socially conscious. They realized the value of talking things over.

How Can Managers Raise Production

(Continued from page 6)

standard of living than would normally have been theirs. With a little urging from their general agents and managers, these men can be helped to successfully continue these higher earnings and this higher standard of living, thereby raising the general average.

"Favorable business conditions which have resulted in a 61% increase in ordinary sales for the first seven months of this year, the enhanced prestige of the life underwriter and of the institution of life insurance through its generous and significant contribution to the war effort, the fact that many individuals through purchase of war savings bonds have established a habit of systematic thrift, the further fact that it is once again smart to be thrifty (even the government, which was preaching a free spending philosophy in the '30s, is now a foremost advocate of a savings philosophy) and the further fact that millions of returning servicemen, having been forced to make a break from their old occupations and their old ways of living, are looking for better opportunities and greater independence such as is offered by life insurance selling—these are just a few of the factors which make this a particularly opportune time to improve averages."

In the marketing of life insurance, he said, the improvement of averages which lie within the control of the general agents and managers can be brought about primarily in two directions; first, by the improvement in results of old organization and, second, by better selection, training and supervision of new organization. He devoted his talk mainly to the second, that dealing with new organization.

Six Parties in Interest

There are at least six parties that have a vital interest in the improvement of the induction process to bring about a higher average of successful new agents:

1. The New Man Himself—He is entitled to every reasonable assurance of success which intelligent selection, training and supervision can give him. "The man who does not succeed in our business or any other, regardless of whether or not the fault is primarily his, is likely to hold a grudge against the business in which he failed. This grudge will be shared by members of his immediate family and may spread to his group of friends. Probably the single greatest contribution which general agents can make to good public relations is through raising the percentage of successful new agents who may thus better serve the public."

2. The General Agent or Manager—His success depends upon the development of a successful sales and service organization.

3. The Company—In the final analysis no company can maintain a level above that of its field representatives.

4. The Public—It is entitled to the highest degree of service which the field forces can bring to it.

5. The Established Agent—He has a right to expect that his future field associates and competitors will be selected, trained and supervised only in such numbers and on such a high plane as to measure up to the standards of performance and service which he has established.

6. The Institution of Life Insurance—Both home office and field representatives have an obligation to uphold the highest traditions and spirit of trusteeship of the institution.

Intelligent Selection First Step

The first step in the development of a successful producer is intelligent selection. The general agent or manager

should use every means available to determine the fitness of the candidate for the position. These means include the use of inspection reports, reference sources, scientific selection devices, and particularly sound personal judgment based on interviews and studies of past experience.

He discussed briefly the aptitude index, which he said is by far the most widely used scientific life underwriter selection device, with over 600,000 copies distributed; further, in checking and re-checking, its practical value has been established. The L.I.A.M.A., which is primarily responsible for it, makes no claim that the aptitude index, by itself, is a fool-proof selection device. There can never be a substitute for sound personal judgment of human nature, such as has been developed to a marked degree by some general agents and managers, Mr. Zimmerman declared.

The L.I.A.M.A., in a further effort to refine and improve the aptitude index, has recently given 18 tests of all kinds to more than 1,500 life underwriters. These tests include social intelligence, practical thinking in social studies, mental ability tests and others. This testing is not yet quite complete.

Nurture Success Atmosphere

Returning to the premise that selection is merely the first step in the development of successful agents, he said training, supervision and nurturing in the new man of the will to succeed, plus the creation of a success atmosphere in which the individual can find happiness as well as financial success, all contribute to the development of successful agents.

Success itself is a comparative term. The \$10,000 per year engineer will not consider himself successful as a \$200,000 producer. Conversely, the \$3,000 a year bank clerk could certainly consider himself financially successful at this \$200,000 production level.

"Furthermore, if he were selling and servicing the mass market, composed of our medium and lower income group which, more than any other, needs the benefits of life insurance, he could certainly consider himself a success in the field of social service."

"This varying standard of what the individual considers as success for himself will in itself always account for some turnover in our business. In addition, there are many other factors beyond our control which contribute to turnover, such as sickness and death. This makes it all the more important that we exercise the utmost efficiency in the use of those aids which can and do influence turnover."

Inductions, Terminations Stepped Up

The induction rate for 1946 has been stepped up more than 200% beyond the rate in 1943, 1944 and 1945 and more than 100% above the 1941 rate. That has been accomplished by a natural but nevertheless disturbing increase in the termination rate. In that connection he presented Chart I, a comparison of the first six months of 1945 and 1946 for 35 ordinary U. S. companies. In 1945, 596 men without previous life insurance experience were put under contract. The annual rate of production was \$81,360, number of contracts terminated 42, rate of termination 7%. For 1926 the comparable figures were 3,003, \$104,040,312 and 10%, an increase in the rate of termination of 42%. The average exposure was three months.

Projecting this 1946 first half year experience for the second half year, and keeping in mind that the first six months survivors are exposed for this second half year, the termination rate for 1946 recruits may run as high as 25%, he said.

The 12 months exposure rate would be considerably higher. According to a comprehensive study of the experience of 1938-1941 inclusive, covering records of nearly 25,000 full-time men in 23 companies, the first year termination rate on a contract year basis is 43%. That



"I have only one man now..."

a very young man... just five years old. Taking Daddy's place is a pretty big job, but he will do it in the years to come. For through Life Insurance, John preserved for us our heritage of Liberty, that is America. His faith is our faith. His strength, our strength.

Just a few pews away sits Bill Brown, the man

who wrote our Insurance. He knows how near we came to losing this heritage. The times when the load seemed almost too much for us to carry. Those were the times he counseled us, encouraged us, worked with us. Yes, our fight has been his fight too. We have no finer friend."

Thus, another medal is bestowed on Bill Brown.

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or

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THE LIFE INSURANCE BUSINESS is once more on trial before the bar of public opinion. We've handled our case magnificently in our last two trials—the depression and the war. What kind of a case are we making for ourselves today when the public is asking:

How honestly do life insurance men advise veterans regarding their National Service Life Insurance?

How carefully do companies select new agents today, choosing only quality men whose performance will be a credit to the business?

How do companies treat the subsidies under the G.I. Bill of Rights, as "gravy" for the company or the general agent, or as true extra compensation to the veteran?

Do companies really train their agents for their increasingly complex job, or do they simply give lip service to the idea of training?

The conduct of our business during the next few critical years will determine the verdict in our current trial. We can achieve magnificent success or colossal failure. And, fortunately, the outcome lies within our own hands.



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WE BELIEVE

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2. THAT the men and women who devote their full time and talents to life insurance selling should have the opportunity to achieve, in *their profession*, the same degree of financial independence they offer their clientele.

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- 2. Life-time renewals, with *larger amounts* in second and third policy years.
- 3. Retirement plan.

PLUS these EXTRAS:

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- + Free life insurance (\$1000 to \$5000 for meeting nominal production requirements.
- + Group hospitalization free to Leading Producers Club members and their dependents.

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is to say, 57% of the full-time men inducted were still under contract at the beginning of the second contract year. "Happily, we have shown improvement since then," Mr. Zimmerman commented.

Canadian Study Presented

A study made by companies representing just under 90% of the total premium income in Canada, presented as Chart II, showed that in January, 1945, only, 160 agents were recruited and 59 contracts were terminated, a termination rate of 37%. For the entire year 1945, out of 1,342 agents recruited, 308 contracts were terminated, a rate of 23%.

Chart III, shown herewith, illustrates the survival and production rate of 1,032 inexperienced men, classified in accordance with their aptitude index rating, with similar data for 213 men who were not rated under that index.

Chart V, on the basis of the Canadian study averages, shows that the general agent or manager who planned to secure \$1,000,000 of production from new, inexperienced men would have to induct almost 50% more B men than A men:

"In checking my own general agency records for a number of years," Mr. Zimmerman said, "I found it necessary to interview 26 men in order to put under contract one A, B or C man."

He declared that the study on which these charts are based leads to the indisputable conclusion that there is a direct correlation between the aptitude index rating, the rate of survival and the rate of production.

Significance in Agency Costs

These facts also have a vital significance in regard to agency costs. Estimates of the cost of inducting and training new men have ranged all the way from several hundred dollars to several thousand dollars per man. In that connection he presented as Chart VI data based on a factual study of agency expense by W. J. Adams, secretary of Canada Life. Since the study was made in 1939, Mr. Zimmerman increased the costs about 20%. This showed induction cost of \$700 per agent, first year maintenance cost \$1,200 and subsequent yearly maintenance cost \$850.

"Actually," Mr. Zimmerman said, "these expenses should be considered in the light of an investment. The soundness of the investment, of course, depends on the results you obtain from your expenditure."

Chart VII, based on the Canadian study figures, shows the cost of securing \$1,000,000 of calendar year production from new, inexperienced men, assuming that where contracts were terminated, this occurred at the end of six months, and assuming also that the business would have cost \$8 per \$1,000, if it came from some other source than new agents.

Chart VIII gives in more detail the return for investment shown in the last column of Chart VII. One of the most interesting facts illustrated by that chart is that it costs less to induct and maintain during the first year a surviving

CONVENTION OCCUPATIONAL DISEASES—



Identification badge squint and twist—
Handshake—highball clutch

Apt. Index Combined Rating	No. of New Inexperienced Agents	Aver. Production Per Man Month	Per Cent of Survivors	Aver. Production of Survivors Per Man Month	Annual Rate of Production of Survivors
A	288	\$8,220	83	\$8,830	\$106,000
B	479	5,970	78	6,810	82,000
C	215	4,990	73	5,690	68,000
D	40	3,250	78	3,430	41,000
E	10	1,750	90	1,680	20,000
Summary Total	1,032	\$6,240	78	\$6,970	\$84,000
Not Tested....	213	4,330	76	5,260	63,000

Chart IV shows that men rated "A" produce each month more than 1½ times as much as B men, more than 1½ times as much as C men, more than 2½ times as much as D men and more than five times as much as E men.

Advantage of "A" Men

The Canadian study confirms two other facts which previous studies developed, that A men not only get into production most quickly, but they increase their production most rapidly, and second, that young men, age 25 and under, have a survival and production rate about 90% that of men above age 25.

Aptitude Index Rating	No. of New Men Needed	No. of Survivors End of Calendar Year	Per Cent Surviving Calendar Year
A	27	23	83
B	41	32	78
C	48	35	73
D	61	48	78
E	95	85	90
Non-Rated	46	35	76

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"A" rated agent than it does an agent in the lower classifications.

Projecting these figures into a study of second and subsequent year estimates, Mr. Zimmerman said it would be entirely safe to make these assumptions:

1. That the rate of future survival of "A" rated agents will be higher than that of "B" men; that the rate of sur-

vival of "B" men will be higher than that of "C" agents.

2. That the increase in the rate of production of "A" men would be more rapid than that of the lower groups.

3. That the chances of developing a \$500,000 or \$1,000,000 producer from among the surviving "A" men would be greater than from among the other surviving groups.

CHART VII
First Year Development Expense of New Organization

No. of Men With Rating of	No. of Survivors	Induction Cost	Maintenance Cost	Total Cost	Less Normal Cost of Prod. of \$8 Per \$1,000	Net Investm't in New Organization
A	27	\$18,900	\$ 30,000	\$ 48,900	\$8,000	\$ 40,900
B	41	32,700	43,800	72,500	8,000	64,500
C	48	33,600	49,800	83,400	8,000	75,400
D	61	48,700	65,400	108,100	8,000	100,100
E	95	65,500	108,000	173,500	8,000	165,500
Non-Rated	46	32,200	48,600	80,800	8,000	72,800

CHART VIII
Investment Return Per Surviving Agent at End of Calendar Year

No. of Surviving Agents With Apt. Index Rating of	Net Investment in New Organization	Investment Per Surviving Agent	Rate of First Year Prod. Per Agent	Rate of Total First Year Prod. of All Surviving Agents
A	23	\$ 40,900	\$1,780	\$106,000
B	32	64,500	2,010	82,000
C	35	75,400	2,150	68,000
D	48	100,100	2,080	41,000
E	81	165,500	2,040	20,000
Non-Rated	35	72,800	2,080	63,000

Institutional Plan for Education Near Fruition

The two years of effort looking toward the development of an institutional plan for life underwriter education and training have practically reached fruition, Clifford H. Orr, National Life of Vermont, Philadelphia, chairman of the committee on education of the N.A.L.U., reported at the national council meeting Tuesday.

It was agreed at a meeting of representatives of the national organizations in August that the direction of the proposed program should be placed in charge of a committee of eight members, three each from the N.A.L.U. and Life Insurance Agency Management Association and one each from the Life Insurance Association of America and American Life Convention.

The L.I.M.A. executive committee at a meeting in Cleveland Monday named as its members of the committee Vincent B. Coffin, Connecticut Mutual Life; Roger Hull, Mutual Life, and B. N. Woodson, Commonwealth Life. The N.A.L.U. members are Mr. Orr, E. L. Reiley, heretofore with Penn Mutual at Cleveland, who is now joining Mutual Benefit Life at Philadelphia, and Walter E. Barton, Union Central Life, New York. The A.L.C. has named James A. McLain, president of Guardian Life, and L.I.A.A. is expected to name its member in time so that a meeting of the joint committee can be held in Cleveland before the conclusion of the N.A.L.U. convention.

Steps will be taken at once to employ a director to take charge of the active management of the program. In fact, a search already is being made for the right man for this important post.

In discussing the marketing schools and similar courses that have been and are being launched by colleges and universities, Mr. Orr said that is one place where it is necessary to hold back what is in itself a forward-looking and highly desirable movement. Between 55 and 60 schools have indicated an interest in starting such courses and Mr. Orr said that it is necessary to use great care to avoid an over-expansion in that field.

Mr. Orr's committee has cooperated actively with the American College in its work. The American College, a child of the National association, will celebrate its 20th anniversary next year and he said that plans are being made, in cooperation with the American Society of C.L.U., to give proper recognition to that anniversary.

Widows Not All Dopes About Money

(Continued from page 7)

In approaching this problem he said it is necessary to consider the type and class of people with whom the agent is dealing. A good client of Mr. Golden told him that one of his foremen wanted some insurance. He arranged a home appointment, and met the man's wife. "It didn't take me very long to see that here was certainly a case where I was going to tie up the proceeds, and how!

"Naturally when dealing with the naive, uninformed and simple, it's mandatory that you set up a monthly income settlement. This of course is what the government had in mind in prohibiting lump sum settlements under G.I. insurance."

He took up simple programming, primarily in connection with cases involving insurance from \$25,000 down. "Invariably my procedure with my clients in this group is to present all of the facts which I have here mentioned and let my client guide me from this point on, based on his knowledge of his wife's personality and based on his

own individual preference," Mr. Golden said.

Temporary Setup Arranged

"Oftentimes we decide to write an agreement to provide that the proceeds at his death, except for funds needed for clean-up and immediate living expenses, are to be left at interest for three to six months or perhaps one year, after which time they may be applied under an option of the wife's own choosing or withdrawn in one sum if she so elects. This prevents her getting a check thrown at her before she catches her balance. This arrangement also serves to make her aware that there are settlement options to be investigated. Likewise it counteracts the vague notion on the part of many people that life insurance is like property insurance in that it's the best policy to take your settlement promptly before the insurance company changes its mind about owing it to you.

"This arrangement also gives the widow temporary advantage of a better rate of interest on her money while she is making up her mind than she would have if she received the check immediately and banked it. Also in many jurisdictions it is wise to have the money keep its identity as life insurance proceeds just as long as possible. This is due to the fact that certain legal

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"In practically all cases I strongly recommend, where it can possibly be arranged, that \$2,000 be earmarked specifically for the education of each child. This special settlement agreement is written so that the money becomes payable during the college years. I like to point out that while the insured's widow may quite conceivably some time later have another husband who may be as anxious to protect her as our client, on the other hand, his children can never have another father. Therefore it behooves him to put some money away where it will positively guarantee their education beyond the possibility of any misadventure.

"I believe that as a part of simple programming, we should stress that the insured recommend to his wife that she seek advice about her life insurance money in the event of his death from competent life insurance people rather than from someone competent in other fields but not well informed in regard to life insurance."

Programming for Larger Cases

Mr. Golden then took up a simple programming idea for clients and prospective clients with insurance of \$25,000 and up. "I am going to assume that you are the prospective client, that you are a

person of considerable means. I know that you have a substantial estate and that you have made provision for cash and income needs through the means of a large life insurance program. In going over your policies I find that you have a particular block of \$40,000 of insurance with the old 3% options and that it is set up to give your wife a life income of 20 years certain which of course is a very common arrangement. Your wife is now 40 and if these policies were to mature this year by your death your wife would commence to receive an income of \$2,000 per annum to continue for 20 years certain and as long thereafter as she lives. If she survives for say 30 years, the total obviously of \$60,000 would be paid out. However, should she pass away in 20 years or less after your death, then the maximum paid out is only \$40,000.

"I believe that as a conscientious life underwriter it is my duty to show you, my prospect, how by purchasing an additional policy of \$18,300 you can increase the minimum paid out to a total of \$100,000. Remember that as this block of insurance is now set up your family may receive as little as \$40,000 assuming that your wife dies within the 20-year-certain period. Or if she lives 30 years and then dies there will be a total of \$60,000 paid out. Now what I propose to show you is how you can buy this \$18,300 of new insurance and guarantee the minimum of \$100,000 paid out from the

sum total of the new insurance and the original block of \$40,000.

Procedure Is Outlined

"Our first step is to take the original block of \$40,000 and put it under the interest only option. The 3% interest which is guaranteed will provide \$1,200 a year. This \$1,200 a year will be payable to the widow for her lifetime or for 30 years, at the end of which time the principal will be available. Now we are left with the problem of making up the deficiency in income, the difference between \$2,000 a year income under the life income option and the \$1,200 a year under the interest only option. This we are going to do with the new insurance. If your company is now writing 2½% options it will require \$17,200 of new insurance to give \$800 a year, in yearly installments for 30 years. If, however, your company uses a 2% option at present, it will require the \$18,300 of new insurance which I mentioned previously to provide the \$800 per annum for 30 years.

"After the new insurance is in force, you then have a situation where the beneficiary receives \$1,200 per year from the interest only under the block of old insurance and the remaining \$800 a year, to bring the total up to \$2,000, from the new insurance. Thus for 30 years we have arranged for an income of \$2,000 a year, a total of \$60,000. Then at the end of the 30 years the payment of the principal sum of \$40,000 brings the minimum that can be received up to the total figure of \$100,000. Before we entered the picture, remember this minimum might have been as little as \$40,000. Don't you think that this is a constructive way to do a job of simple programming? May I ask that if any of your own personal insurance is payable under the life income option, won't you sit down and figure out how this idea would work out in your case? I am sure you will be sorely tempted to sell yourself additional insurance indicated."



Charles J. Zimmerman, L.I.A.M.A., former N.A.L.U. president, shaking hands with Judd C. Benson, Union Central Life, Cincinnati.



W. H. Andrews, Jefferson immediate past president is talking with E. J. Schmuck, N.A.L.U. attorney.

Plans Metropolitan Uses Are Outlined

(Continued from page 6)

fully selected and who have committed themselves to make an investment in the study of the business, for no businessman (and the new agent has been impressed with the fact that he is a businessman) can succeed except by making such an investment," he said.

Second, there must be a clear understanding on the part of the management of the relationship between the learner and the teacher. Too often, there is little or no understanding of this relationship and as a result, good men leave the business in disgust.

Lists Learner's Need

As far as the learner is concerned, Mr. Hartshorn commented, he must be (a) ready to learn—that is, he must be interested in what he is to learn and must have adequate background for such learning, (b) he must take an active part in the learning process—that is, he must learn by doing, and (c) he must get personal satisfaction out of his learning—for if he does not, he will lose interest; when he loses interest, he is not ready to learn, and all of the instructor's efforts go for naught.

As far as the teacher is concerned, he must (a) adequately prepare himself to do his teaching, (b) carefully explain to the learner the importance of what he is to learn and why it is necessary for his success, (c) carefully demonstrate the proper way the job is to be done, (d) sympathetically observe the learner in his efforts to do his job, and, finally, (e) intelligently supervise the learner in his efforts to be successful.

Mr. Hartshorn commented that it is a lack of careful, intelligent, and sympathetic supervision which causes most teaching or training to break down. Metropolitan has used the demonstration—observation—correction method for many years with outstanding results. "We have learned that, painstaking though it may be, the dividends it pays are great," he added.

Train to A Standard

Third, the new man should be trained to a standard. This standard should not be in terms of time to be spent, but rather in activities to be learned. Since training is a continuing process, it should be viewed in its entirety in the beginning. It is merely an incident in the whole process of introduction. Metropolitan has set certain definite standards for the training of a new man the first 13 weeks he is in the business. At the end of his first quarter, he should be

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able to (a) satisfactorily account for the premium he receives and give general service to his debit, (b) conduct his agency with confidence, (c) be facile in the use of two or three simple sales approaches (for example, the sale of weekly or monthly industrial through charts, the sale of small ordinary on an income basis through charts, and the sale through the use of the accident and health chart), and, finally, (d) he must be able to win converts to life insurance, for he should at that time be able to convince people that they should enjoy the service of life insurance and the life insurance agent.

"At the end of the first quarter, we expect the new man to be earning at least \$60 per week from sales and debit commissions," he said. "Should you think this a high figure, I call your attention to the fact that in 1945, the average earnings of all of the agents of our company were over \$4,000 per year. Still better, no agent earned less than \$2,000 who worked 12 months, and only 99 earned less than \$2,500—and in most cases there were factors involved which are not general or normal—which explains the lower income. Without a standard, training is a one-shot proposition. A reasonable standard set by management gives the new man a track on which to run."

Keep Agent's Own Goal in View

Fourth, the training objectives set by management for the new agent should be in keeping with the personal objectives of the new man as a man. This means that management should as quickly as possible learn all about the personal hopes, dreams, and desires of the new man, for it is these which will be the spur to his efforts. "We have learned that it is best to set up an income objective for our new man. Of course, such an income objective can only be reached after each man's personal objectives are explored. The goal which is set will determine the training. Too many times, the training objectives are those of the trainer (the general agent or manager) rather than the agent himself. The setting of the proper goals and the help which we give the new man to reach those goals are the essence of our training of the new man. As I have said before, training is a continuing process, and in discussing the training of a new man, it is impossible not to see the whole picture in its entirety. It is the plans we make and carry out after assisting the new man to set reasonable objectives which will build for our agencies outstanding representatives."

"Is the training of the new man important?" Mr. Hartshorn asked. "As I have indicated, I believe it the greatest responsibility of management today. Right now, life insurance is riding on the crest of a wave. Under today's conditions, many poorly trained men are making sufficient sales to earn a livelihood. Because of this fact, I've met and talked with some people who belittle the need for complete training of new men."

"But I predict the picture will change, and with the change will come the need for skillfully trained representatives. It is the men we select and induct today who will carry the burden tomorrow. It is our responsibility as general agents and managers to see to it that we do our job well so that those who carry the torch of life insurance tomorrow may be a credit to the life insurance business—and to ourselves."

Midland Mutual Entertains

Midland Mutual Life was host to about 50 agents at the Statler Monday evening. On hand from the home office were James A. Hawkins, agency manager; R. S. Moore, assistant agency manager, and E. R. Dare, supervisor of agents.

Walter C. Hart, for 25 years Cleveland general agent of Midland Mutual Life, returned from a visit to his daughter, Dorothy Hart, in Hollywood just in time for the convention. On his way home he was informed that she had been given the starring role in a new picture with Randolph Scott, which has just gone into production.

Final Payoff in Outside Influence

(Continued from page 16)

women of means will be purchased in increasing amounts as an investment. We will see much insurance purchased 'out of capital.' Also there will be a lot of principal taken off top brackets of an estate to buy contracts for children."

The insuring public will become more aware of the annuity function of life insurance since high taxes and low interest require staggering amounts of capital to produce comfortable incomes, Mr. Schwemm added. Hence the great market for insurance with income and annual premium deferred annuities. Under today's conditions life insurance offers the only means of accumulating an adequate estate and guaranteeing an independent and comfortable old age for those not already well off.

Tax Free Dollars in Pocket

High taxes give a new meaning to clean-up insurance for wives and children. Either the husband has the dollars for last expenses or he hasn't. If he has, he is the type who will want to replace the expenditure through future savings.

If he hasn't the dollars, he must eventually acquire the money through earned income. For each dollar spent, he will have to earn at least \$1.20—maybe \$1.50 or \$2 or \$3—depending upon his top income tax bracket. The cost, he said, should be shown in earned dollars, not spendable dollars, because spendable dollars are those in a man's pocket after income taxes have been paid.

"Life insurance can replace net dollars spent with free tax dollars. The higher one's income tax, the more important is this feature. This principle of tax free dollars in the pocket is the same for any expenditure which can be replaced by life insurance, accident insurance, or group insurance. For paying for tax-free replacement dollars, the employer gets the premium he pays as a business deduction."

"If tax-free dollars aren't available for specific needs, mortgage insurance, etc., then earnings or other taxable income must be used to provide necessary funds. To get the net required dollars, excess earnings are needed, and the overage of dollars needed to be earned depends upon the income tax brackets of the individual required to provide the funds from earnings."

Present Day Dollar Economy

For decades, Mr. Schwemm continued, there has occurred an ever widening

gap between the pay for men at work and the pay for dollars at work. Man's hire has followed an ascending line, while dollar's hire has followed a descending line. This is an economic situation, another "outside influence," but when the proper interpretation is made, it makes wonderful ammunition for life insurance sales.

Previously, \$20,000 could earn 6% and thus produce \$100 a month income. That was money at work for high wages. At that time \$100 a month wage for a man at work was considered good pay. Prices were down and a family could do well on \$100 a month, and a man could retire in comfort on \$100 a month. Then, too, income taxes were nil.

"But today, dollars don't earn much. It takes \$48,000 at 2.5% to produce \$100 a month. 'Money at work' today isn't doing so well. So we have to have more dollars at work to produce the same income as years ago. But even though we need more, it is much harder to save now than it used to be, because of high taxes. Thus, to make retirement possible for most people, their dollars must be 'annuitized'—and we are the only people who have annuities for sale."

Upward Trend in Prices

"Today \$100 is not enough to live on because of higher prices. There has been

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Ellsworth Regenstein

President

an upward trend in prices for over 100 years. At the present time \$200 to \$250 a month wage for a man at work is equivalent to the old \$100 wage at the time when \$20,000 also produced \$100 a month. And so, it takes many more dollars a month to provide for a family. Where do these dollars come from when the family earner dies? From life insurance, of course, and so now we are talking about insurance protection and not retirement. Only life insurance can 'create an estate today that didn't exist yesterday.' Our salesmen sell this product, and it can't be bought from any other institution.

"This present dollar economy requires more life insurance for family protection, more income contracts or annuities for retirement, and/or the use of corporate pension plans to make possible sufficient compensation for old age.

"As managers or general agents we must be sure that we properly interpret the meaning of these economic conditions to our men, and make sure that they are aware of the great potentialities for insurance sales when they present insurance to the public as a solution to present day economic situations and problems.

"In our office we have developed a

visualized sales procedure for juvenile selling. The procedure is based almost entirely on 'outside influences,' such as high taxes and low interest, tax laws and regulations. It is designed for the parent who has adequate life insurance and income well in excess of fixed expenses. The higher his top income tax bracket happens to be, and the higher his federal estate tax is likely to be, so much the better for our sales procedure.

"The outside influences have created the child's future financial problem, but income life insurance gives the solution. Because of high taxes and low interest, we sell a great deal of juvenile insurance with a very large average sized policy; in fact, larger than our ordinary average sized policy. Also, no other method of making gifts to minor children has as many advantages as have life insurance and annuity contracts. Explain these advantages (which are based on outside influences) to your men and you will truly be rewarded.

Business and Partnership Insurance

"Have you clearly explained to your men that because of high income taxes, partnership insurance is a necessity. Do they understand the power phrase in selling partnership insurance? 'It is

practically impossible to pay off a principal obligation out of current income.' What is the reason that even today in so many instances partnership insurance is not properly bought or properly set up from a tax standpoint?

"Explain to your men the great possibilities of the dual function of key man insurance. That is, as indemnification to the corporation in event of death, with tax free dollars to surplus, but, if the insured lives to retirement, how the contract can be used as a pension (properly arranged to eliminate tax penalties). High taxes makes very attractive the matter of employment contracts.

"Social security benefits are another very important 'outside influence.' Managers and general agents must not tire in the continual use of this all-important legislative creation which serves as a great asset in initiating life insurance sales.

"Because of an 'outside factor' today the 'stork brings more than the baby,' particularly if it is the first child. In addition to a \$500 income tax exemption, this new child may mean \$32.70 of income to the mother and \$21.80 to the child, or a total monthly income of \$54.50. Such a figure makes a swell start for planned life insurance.

Must Have Desire McMaster Says

(Continued from page 16)

"With reference to ourselves, I believe, the degree of service, the kind of service, the quality of service which underwriters can render is determined by how effective, how efficient we are in our own business. To become more effective, and to become more efficient in our business, I would propose five specific points.

"1. We need knowledge and 'know how' about this business.

"2. We need a definite sales track on which to run.

"3. We need to plan our activity.

"4. We need lots of names.

"5. We must 'want to enough' to do those things each day which lead to success."

A working knowledge comes from constant reading and studying, he said. The C. L. U. movement is a great encouragement of this point.

A definite sales track includes three things, he explained. A definite plan for selling simple estate programs; a definite plan for selling business insurance; and a definite plan for handling tax cases.

Mr. McMaster remarked that he is a believer in the "canned" sales talk, and he has one for each of the three plans.

"They worked before the war, they worked during the war, and they are working now," he said. "You know, we spend a lot of time telling our clients that they need a definite financial track on which to run; likewise, it seems to me that we must have a definite sales track on which to run."

Then there must be a lot of careful planning and record keeping, he maintained.

"Every simple, every complicated machine—every simple, or every great, ornate, beautiful building—most worthwhile lives—all have been carefully planned. Similarly, why shouldn't we plan our daily activities, and then do something about those plans?"

Touching on an agent having plenty of names, or prospects, Mr. McMaster declared, "My personal opinion is that city directories, lists, other directories, and the phone book are all full of names. We can easily determine whether those names, as such, are potential buyers from us. Let's not lose sight of two facts—first, every name, generally speaking, is a potential buyer from someone; and, second, until a name is listed in the 'paid-for' column of our ledger, it is still only a name."

All of these things need the will to do, or to want to do enough, the speaker emphasized. They are no good without application.

"In my relationship with prospective clients, as I discuss their problems and situations with them, I try to lead them back to a discussion of those simple basics of every man's life. I paint a word picture of a little white cottage, a little cabin up in the cool mountains, of fishing, hunting, golf, hobbies; yes, I try to tell that man about those things a fellow dreams, hopes and wants. Yes, he prays he will be able to do these things when he gets tired and wants to quit. Men do get tired and men do want to quit. Then, I say to him, 'Mr. Prospect, history shows and statistics prove that 96 out of every 100 men will not have those things in the twilight of life.' But, I say, 'You can have those things if you 'want to, enough'—then, I talk to him about his family, his wife—about those youngsters. Men will talk to you about their futures, about their families. Helping men to plan for the future of their families, plan for their own future—isn't that rendering a worthwhile service,' Mr. McMaster asked.

"Remember the \$75,000 producer has the same job as the million dollar producer. First, we must 'want to, enough' ourselves to succeed. And then, we must help people to 'want to, enough' to provide for themselves and for their families. When we do that we will render a real, worthwhile service for those people."



—Where Ideas
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Sales Personality Quality Factor in Success

Sales personality is the most important side of the "triangle of success", Ray E. Habermann, outstate manager of Northwestern National Life, Minneapolis, told the general agents and managers section. "Back in 1940," Mr. Habermann said, "we had forty-four men paying for \$4,271,000 of business. We had accomplished this by having a well-planned recruiting program, a good drill school where we taught prospecting and our sales track, and a strong follow-through in the field. We looked good on paper, but our average man was making only \$2,400 per year. Something had to be done about it."

An analysis of the men was made and they were found to be of three types:

Tom was making about \$30 a week. He was disgusted and was not making a living. He was going in debt, took a great deal of time, and was a constant worry.

Dick was making \$50 a week. He was just getting by but was determined to do something about it. He had possibilities and could be developed.

Then we had Harry—the man who was really coming along. He was making \$100 per week and up and was happy. He drove a good car, was buying a home, and was easy to supervise.

Why the Difference?

"Now why was there such a difference in these men? They all looked good to start with, or we would never have hired them. Some of those with the best education were making very little money. They all had the same training, the same formula of work, and tools to work with."

"We carried our analysis a little further. We found that Tom had a good knowledge of the business, was short on work and sales personality, and did not like to call on people. Consequently, the dollars he made were small."

Mr. Habermann then drew a triangle with the sides labeled "Knowledge", "Work" and "Sales Personality", but with the "Knowledge" side extending far beyond the others.

"We found that Dick had a good knowledge of the business and was long on work. He relied on the law of averages and made it work for him. He was short on sales personality. The dollars he made were average. We had hopes for him if we could balance his triangle, and make his sales personality equal his knowledge and work."

Then the "Work" side of the triangle also was extended.

"When we started to look over Harry we found that he had a very good knowledge of the business. He really knew our sales track and used it daily. He was a hard worker and had fine sales personality. His was the triangle of success. All sides were equal. He made big dollars."

(Triangle drawn with all three sides elongated.)

Deciding Factor Determined

It was decided that sales personality was the variable which was the deciding factor.

"We now knew that knowledge and work were quantity factors, but sales personality was a quality factor, and we therefore decided to lay more stress on it in selecting and training our men. By sales personality we do not mean that bubbling over type, that 'Hi, Joe' fellow, that spellbinder or charmer. We mean those qualities which establish a man in his community as a stable, reliable person with whom people like to do business."

After much consideration it was decided that these rules or bits of philosophy would help a man govern his relationship with other people: (1) Think and speak sparingly about yourself. (2) Look for the good in everyone you meet. (3) Be considerate of others. (4) Look for some way to render service. (5) Do not volunteer

opinions. (6) Do not argue. (7) Keep busy. (8) Respect yourself. (9) Always tell the truth. (10) Smile—be cheerful. (11) Live in a friendly world. (12) Have faith.

"There has been a great improvement in our business in the past five years. It is easier to sell, but we still think that a balanced triangle is the secret of success for us. In 1940 our 44 men paid for \$4,271,604 of business at an average income of \$2,400. In 1945 our 28 men paid for \$5,971,691 of business at an average income of \$5,600. Up to date we have just about as much business as we had during 1945. We expect our average man to make \$6,000 in 1946."

"We have faith in our system—it works."

Hot, Humid for Early Arrivals

The heat and humidity in Cleveland the earlier part of the week made things quite uncomfortable for the early arrivals. Southern delegates who wore heavy clothing, expecting cool weather in this section, were sweltering in the heavy atmosphere. However, cooler breezes off the lake made conditions much better on Wednesday, when the first regular convention session started.

L.I.A.M.A. Public Information Committee

Wendell F. Hanselman, president, has appointed a five-man public information committee of the Life Insurance Agency Management Assn. Announcement of the new committee was made following a meeting in Cleveland of the directors of the association.

Members are: Rolland E. Irish, president Union Mutual Life, chairman; George A. Adsit, executive vice-president Girard Life; Charles G. Martin, Great-West Life; Felix Rothschild, vice-president Sun Life of Baltimore; Harold M. Stewart, vice-president Prudential.

The committee will cooperate with corresponding committees in other organizations including the Institute of Life Insurance and National Assn. of Underwriters. It will also work with the press relations supervisor of the Agency Management Assn., and will study the problem of how the agency system can more effectively carry out a sound public relations and sales promotion program.

Committee Reports Given at C.L.U. Directors Meet

A dinner meeting opened the sessions of the board of directors of the American Society of C.L.U. Wednesday evening. Clifford H. Orr, presided.

The board unanimously approved and commended the work of Frederick W. Floyd during his service in the past 15 months as executive secretary of the society. He also served during the year as secretary.

The budget based on 1800 members was approved, and it was estimated that this membership will be 2,000 upon the return of 200 additional members whose dues were waived while in military service, and 125 potential members who received their C.L.U. designations in 1946.

The report of Howard W. Cammack, Charleston, W. Va., Chairman of the C.L.U. institute committee, was commended, and was presented in his absence. The board approved the extension to at least one additional institute in 1947 patterned along the lines of the first institute held at the University of Connecticut, in June.

Carl Spero, New York city, chairman of the forums committee, presented a report on the successful operation of forums. New York, Chicago, St. Louis and Louisville conducted forums in 1946.



GREETINGS from AN OLD COMPANY WITH A YOUTHFUL OUTLOOK

The State Mutual Life Assurance Company of Worcester, Massachusetts welcomes you to the 57th Convention of the National Association of Life Underwriters.

State Mutual has been serving the people of Ohio for more than one hundred years.

Cleveland being the host city, we salute our General Agent, W. Allen Beam, and his able associates who join us in wishing both delegates and guests a memorable visit

CHARTERED 1844 · NOW IN ITS SECOND CENTURY

Elect American College Trustees, Officers

At the annual meeting of the trustees of the American College of Life Underwriters, the following trustees were re-elected for three year terms: J. Stanley Edwards, general agent Aetna Life, Denver; Chester O. Fischer, vice-president Massachusetts Mutual Life; John Marshall Holcombe, Jr., manager Life Insurance Agency Management Association; George E. Lackey, general agent Massachusetts Mutual Life, Detroit; Dr. David McCahan, professor of insurance, University of Pennsylvania; Henry E. North, vice-president Metropolitan Life San Francisco; Dr. John A. Stevenson, president Penn Mutual Life.

Robert Dechert, counsel of the college; Sewell W. Hodge, treasurer; Roland D. Hinkle and Walter A. Craig, respectively president and vice-president of the American Society of Chartered Life Underwriters, and Wm. Eugene Hays, committee on education and training Life Insurance Agency Management Association, have been named ex-officio trustees during their terms of office.

Officers elected for the coming year are: Julian S. Myrick, vice-president Mutual Life, chairman; William M. Duff, general agent Equitable Society, Pittsburgh, vice-chairman; Dr. S. S. Huebner, president of the college; Dr. David McCahan, dean of the college; John A. Stevenson, president Penn Mutual Life, secretary; Sewell W. Hodge, treasurer Provident Mutual Life, treasurer, and Robert Dechert, counsel.

On the executive committee are Dr. Huebner, chairman; Ernest J. Clark, Mr. Dechert, Mr. Duff, Mr. Hodge, Mr. Holcombe, Mr. Lackey, Mr. McCahan, Mr. Myrick, C. J. North, M. Stevenson, John P. Williams and Mr. Hays.

The management examination committee includes Dr. McCahan, chairman; L. S. Chapman, H. G. Kenagy, Ward Phelps, D. Bobb Slattery, John A. Stevenson and John Marshall Holcombe, Jr. (ex-officio).

On the examination board are Irvin Bendiner, chairman; James Elton Bragg and Lawrence C. Woods, Jr., all three C.L.U.s and representing active life underwriters; Laurence J. Ackerman, representing the faculty of a university; Earl R. Trangmar and Hampton H. Irwin, representing life companies.

Million Dollar Forum Big Hit

(Continued from page 5)

arranged settlement options, I will go into the matter, but if it is a case that looks like it can best be served through the creation of a testamentary, a living trust, or bank trust, or if it is a case that is involved with a serious estate tax situation, then I simply mention that many of my clients have solved their problems through the creation of trusts of one kind or another, and I then suggest that we make an appointment with the man's attorney, pointing out the new thought recently discovered in Texas that two heads are better than one. Perhaps the discussion is arranged with the C.P.A. rather than the attorney.

3. Do you spend much time in your interview in a discussion of the technical aspects of the insured's various policies?

A. Definitely not. One congratulatory statement usually suffices. I usually do, however, point out that the retirement provisions of his present program should give him a good deal of peace of mind, and usually I give him the specific amount of annuity income which would be available for him at his option at ages 60 or 65.

4. Do you know what your average size policy is as a result of sales made from short form analysis work?

A. Yes, my average size policy in 1945 from this type of work was \$14,700.

Key-Man Insurance

David B. Fluegelman, Northwestern Mutual, New York:

1. What sound argument could be advanced in inducing a corporation to purchase key man insurance now?

A. The return to a business is made up of two factors, a return on capital, and the earning capacity of its manpower. Since we are now in an era of low interest rates, with a tendency toward a continuation of low interest for a long period into the future, the return on capital has obviously become lower. This makes the key man even more valuable than heretofore.

2. What are the rights of the corporation in the event the employee leaves the employ of the corporation?

A. The corporation has the right to continue to maintain this policy even though the insured is no longer an employee. The policy remains an asset of the corporation in the same manner as if they had invested money in some other type of property. The corporation, of course, may cash in the policy or transfer it to the insured. The usual rule on transfer for valuable consideration (Section 22B2) is not applicable if the policy is transferred to the insured himself. This is not deemed to be a transfer for a valuable consideration.

Calculating Key Man's Value

3. What is the method of calculating the value of a key man to a corporation?

A. This is a difficult question to answer because it varies in different circumstances depending not only upon the work of the man but upon the type of corporation involved. In an attempt to be as scientific as possible, I attempt to determine the actual cost of replacement to the corporation which, of course, should be the amount of insurance purchased. I try to determine what portion of the net profits may be attributed to the key man. From this, I deduct the share of net profits that would be contributed by the new man. To this is added a cost of replacement which in effect is like a readjustment fund in personal insurance. In general, the answer pretty much depends upon how much the business will spend on insurance. It is always necessary to compromise, and the final answer is arrived at in a somewhat arbitrary fashion.

4. If it is desired to create a "widow's pension plan," should there be an agreement between the corporation and its key man regarding the continuation of salary to his widow?

A. There are two schools of thought

regarding the desire or danger in having an agreement accompany the purchase of insurance. It seems to be generally agreed that if no agreement is in existence, the proceeds will not be subject to estate tax in the estate of the deceased, and there is a good likelihood that the widow will not have to pay an income tax on the benefits paid to her by the corporation. This conclusion is based on the theory that since there is no contract of employment, and since no services were rendered by the widow, the amounts paid to her were in the nature of gratuities. There is no question that the corporation will receive an income tax deduction in accordance with court decisions. With the agreement in existence, it is likely that some of these deductions will not be available, so that it is probably safer to risk the good faith of the corporation in fulfilling its intentions without an agreement rather than risk the payment of a substantial tax.

5. What type of policy should be used? A. There is no set rule regarding this, but I personally prefer a high premium policy because it creates the amortization fund in a shorter period of time, and makes available an increasingly large fund in the event of need. There is a particularly pertinent argument that should induce the corporation to consider as high a premium policy as possible. Many corporations believe we are already in a period of inflation. Since we know that the value of the dollar rises and falls in accordance with economic cycles, it would seem wise to pay as high a premium as possible out of inflated dollars because the likelihood is that when the policy matures or the claim is paid, the dollars will be worth far more than when they were deposited in premiums.

Handling Pension Trusts

David Marks, Jr., New England Mutual, New York:

1. Where do you get your prospects?

A. I have not done any personal soliciting in about four years. I have been fortunate in having been able to get the confidence of about six very large accounting firms and two large law firms to such an extent that they will refer to our office any questions at all arising in our field of taxation as it affects life insurance. This means that we have a great deal of work for these firms on matters coming up with their clients on which there is no business for us. But at the same time, whatever business it is possible for us to secure, is recommended to us. Therefore, over a period of a year or two, we are well paid for the courtesies extended from which there may be no direct business.

"Our theory of operation is that as long as these accountants and lawyers keep calling us, we are in business, because the nature of the questions must automatically reflect the trend of the times, and because of the nature of the references, whatever business does result is usually very substantial. We feel that even one case in a year, or one case in two years is more than enough to compensate us for the questions we answer during that period. We are not anxious to make this arrangement with small firms because the business resulting does not justify the work we have to do.

Developed Over Ten Years

"This is the fruition of the theory of underwriting that I had for ten years and without the advent of pension trusts, it probably would have taken another ten years to fully get the confidence of these people, because almost invariably, they have had bad experience in recommending any of their clients to life insurance men. The experience with pension funds, however, enabled us to accomplish in two years what might otherwise have taken a much longer period and since we have been honest with them to the extent of frequently advising that no insurance or pension was purchased, they have complete confidence in our honesty so that they feel

Greetings to

National Life

Underwriters Association

Peninsular Life Insurance Co.

Home Office: Jacksonville, Florida

Laurence F. Lee, President

having purchase generally exist subject the de- lishood pay to her usion is there is since no widow, in the no ques- ceive an nce with ment in of these so that the good illing its nt rather bstantial

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perfectly free in recommending us, and will back up our recommendations to the fullest extent.

Long Form Analysis

John O. Todd, Northwestern Mutual, Chicago:

1. "You said that in setting up a report you first restated the facts including a financial statement and tax calculation. How much detail do you go into in making that statement and calculation?"

A. "The absolute minimum. The statement will be broken down into the main headings to cover: Cash (usual average balance); marketable securities (bonds and stocks); non-marketable securities; interest in own business; real estate; life insurance. Then the liabilities, estimated administration expenses; and an estimate of estate and inheritance taxes. This tax calculation is taken off of a card, based upon an estate of the size involved. I see no point in making detailed calculations. You can't make any more than an estimate at best for by the time he dies, the figures will all be different."

2. Under the Things to Do or So What heading, what is the nature of this summary in a typical case?"

A. "The action necessary to put the foregoing recommendations into effect is very simple, and requires only the following steps—(1) A consultation with your attorney, to have a new will drawn. (2) Medical examinations for you and your two sons to determine insurability. (3) Execution of transfers of stock of your corporation to Mrs. Prospect and the children."

3. In "The Case of the Grateful Genius", does the corporation agree with the Genius to take out insurance on the man, and can the insurance company pay direct to him or his widow at retirement or death?"

A. By no means! The corporation agrees to pay him a certain amount of money at a future date. If, because it has assumed a liability that may mature for a substantial sum at an uncertain date in the future, the corporation wishes to take out insurance to protect itself, that's just good business. But the Genius may not have any interest in any policy it takes out. If, after his death, arrangements can be made with the insurance company to pay out in installments to his widow as a paying agent for the corporation, there should be no objection. But the insurance belongs to the employer all the way through, 'til the last dollar is paid.

4. "In the Paralyzed Partner case, how can the partnership best be converted into a corporation to avoid tax penalty and attain the maximum tax advantage?"

A. The change to a corporate method of doing business must be accomplished as a tax-free reorganization, or it will be expensive. This means that among other things, the stock of the new corporation must be distributed in exactly the same proportions as the original holdings were in the partnership. After the stock has been issued, the stockholders may sell or give the shares they have acquired, to others. It is not a foregone conclusion in every case that a corporation will prove to be an economy.

M. Lee Alberts, Equitable Society, Chicago:

1. What is the attitude of organized labor toward group insurance plans?

A. During the last six or seven years organized labor has co-operated with the employer in the installation of various plans of group insurance and, in many instances, have sat around the table with the employer and helped him develop those plans which would do the most good for the employees. I have also seen requests that organized labor has made for various plans of group insurance.

2. What amount of benefits in relation to the employees' earnings do you attempt to provide under group insurance plans?

A. Since most plans of group life insurance today are on a contributory basis the amounts of insurance are more probably two years average earnings than one year. In other words, you will often see an employee who earns \$2,000, insured for \$3,000 or \$4,000. On our accident and health plans we attempt to provide one-half of an employee's basic earnings to a maximum benefit. Most hospitalization plans today provide \$5 with \$50 special fees and surgical benefits.

3. What ratio to the total premium do you suggest that an employer contribute under group insurance plans and has that ratio increased in recent years?

A. At present I am suggesting that employers contribute 50% of the gross premium. This percentage has increased from 30% to 40% before the recent war.

4. Is the field of group insurance highly competitive?

A. The field of group insurance is highly competitive only as you make it so. Your biggest competition is the fact that employers would like to put the money spent for group insurance in the employees' pay checks. Some employees, in turn, would also prefer the money in their pay checks. The competition with other reputable companies is negligible for I feel that my competitors sell as much insurance for me as I sell for them; in other words, we are co-operating with one another in this worthwhile cause.

Charles A. Egenolf, Prudential manager at New Rochelle, N. Y., who was one of the speakers Wednesday morning, reached his 40th anniversary with that company while he was in Cleveland and thus qualified for a more advanced class in his company's "Old Guard".

General Agents, Managers Meet

(Continued from page 12)

far this year, that it has a record of a million a month or more for 26 consecutive months, and it has been the company leader for the past eight years.

Mr. Schwemm contended that the best selling tool today is high taxes and low interest rates. He said the agent should talk in terms of earned dollars today, not spendable dollars. He made the observation that the agent's job at this time is to annuitize dollars, and that life insurance is the only thing that can create an estate today that did not exist yesterday.

Wilbur W. Hartshorn, New York, superintendent of agents, central zone, Metropolitan Life, discussed "Training New Men Today".

Smith Propounds Questions

Stuart F. Smith was the third panel speaker. He is manager of Connecticut General at Philadelphia. His agency has a production of nearly \$16 million so far this year. Mr. Smith made his points by propounding a series of questions, ask-

ing his audience of general agents and managers pointed questions as applicable to themselves and through them to the agents they are supervising.

Ray E. Habermann, general agent Northwestern National, Minneapolis, spoke on "The Triangle of Success" and the meeting was brought to a close by Charles J. Zimmerman, Life Insurance Agency Management Association, whose topic was "To Be or Not to Be".

Greetings From Other Groups

Presidents of five of the leading life insurance organizations were presented and made brief talks at the opening session on Wednesday. Claris Adams, president Ohio State Life, spoke for the American Life Convention. President George Willard Smith, New England Mutual, brought greetings from the Life Insurance Association of America. Both Mr. Adams and Mr. Smith paid tribute to the work and importance of the field agent. Wendell F. Hanselman, vice-president Union Central, brought greetings from the Life Insurance Agency Management Association; Holgar J. Johnson, spoke for the Institute of Life Insurance and greetings from across the border were presented by P. M. Monahan, manager Canada Life at Toronto and president Life Underwriters Association of Canada.

EDGEWATER BEACH HOTEL

Headquarters of the World for Insurance Conventions



CHICAGO 40, ILLINOIS

WILLIAM M. DEWEY
President

PHILIP J. WEBER
Resident Manager

Round Table Echoes Are High Spots

(Continued from page 5)

throw open adjoining rooms on both sides in order to accommodate to any measurable extent all of those who wanted to hear these men who had demonstrated their ability as pavement-pounders tell how they did it. A notable feature in connection with the composition of the panel was the fact that three of the participants were from smaller towns and cities. They presented down-to-the-grass-roots methods and experiences which the "average" agent, if there is such a thing, could not say would be inapplicable in his own case.

McFarlane Seminar Chairman

Frank L. McFarlane, Northwestern Mutual, Cleveland, himself a top-notch producer, was chairman. Leading off Collis L. Ackiss, Metropolitan Life, Norfolk, Va., speaking for the men who sell both ordinary and industrial business, talked on "The Lamp of Service"; John W. Arden, Southwestern Life, Waxahatchie, Tex., on "Low Pressure Buying"; George L. Maltby, Equitable Life of

Iowa, Kansas City, Kan., on "Third Party Influence", and Edwin T. Golden, New York Life, San Francisco, on "Simple Programming." A question and answer presentation, "Selling Down Louisiana Way," was offered by D. L. Myrick, Great Southern Life, Lake Charles, La., assisted by J. Perry Moore, Great Southern, Houston, Tex.

Wednesday night was the time when all of the company dinners for their agents in attendance at the convention were held, with a contingent of home office executives in attendance to act as hosts. More than 30 such gatherings were held, scattered among all of the hotels and clubs in downtown Cleveland.

They all adjourned in time to allow those in attendance to be on hand for the president's reception and ball in the grand ballroom at the Statler.

Amer. United Fetes Two 50 Year Producers at Dinner

At a special dinner party in the Cleveland Hotel American United Life feted two of its veteran Cleveland representatives—District Manager George C. Baer, who in 1947 will pass his 50th milestone of service with the company, and District Superintendent Paul H. Roach,

who will mark 25 years with the company Oct. 17.

American United's home office was represented at the dinner by Mr. and Mrs. William A. Jenkins, Mr. Felt, Edward M. Karrmann, treasurer; Floyd R. Fisher, vice-president; J. Howard Alltop, personnel director; Carl A. Hess, agency supervisor, and Emil C. Rassmann, advertising manager. Field men from outside the Cleveland area included Gracie W. Bownds, Lubbock, Tex.; Virgil A. Clayton, Pittsburgh, Pa.; Guss R. Merritt, LaFayette, Ind.; Laurence L. Weaver, Columbus, O.; Robert

L. Myers, Akron, O.; Julian M. Kulchieski, Sharon, Pa.; Mrs. E. C. Barclay, Elyria, O.; Rollin S. Thompson and Robert B. Thompson, Youngstown, O.; and Ray C. Yost, Wooster, O. Cleveland residents who were at the dinner included Mr. and Mrs. George C. Baer, Mr. and Mrs. Paul H. Roach, Mr. and Mrs. James E. Surrall, Mr. and Mrs. H. Moellering, Peggy Christyson, Van Buren Thomas, Harold J. Baty, Dominic DiFranco, Harry Roemisch, George M. Fox, Roy Fetterhoff, Nelson L. Shultis, Fred E. Holden, Floyd Hornaday and Adam Weber.

Should Think and Act in Terms of Security: McCloy

John J. McCloy, former assistant secretary of war and now a member of the firm Milbank, Tweed, Hope, Hadley & McCloy, New York City, told the general session of the National Assn. of Life Underwriters Thursday that he could imagine no group of individuals in the world today with greater responsibility for aiding in the provision of security.

"You who are here today are primarily concerned with security of the home," he said. "Through insurance you will be the means by which many individuals will achieve personal security. You and they will be engaged in a futile undertaking unless the same individuals that you seek to aid are themselves seeking to find the means of security for others.

Those Insured Hold Greatest Stake

"It is those whom you insure, those who plan and build for individual security, who hold the greatest stake in this endeavor. If the quest for security does not reach beyond the home, the home will be swept away by the greater flood.

"The insurance investment can only be sound if with each premium that is paid there is an investment made in terms of effort, thought, and service in a national policy to insure peace. I have spoken of impending doom and the thrill of untold progress. It will be the quality of the individual thought and effort as expressed in a free society which will throw the balance. It is your business to think and act in terms of the security of individuals and the family considering their state. I can imagine no group in this perturbed world whose responsibility is greater than yours.

Factors Menacing Security

"Security is an old subject," Mr. McCloy said. "We have done much talking about it and in the end we have had very little of it. I imagine that today we are less certain of our security than we have ever been barring certain periods of our early history and perhaps a few periods in the war just concluded.

"Two great factors neither of which in themselves or together constitute the full menace to our security, are present today. They each only represent the nature of the threats we face—one, represents the general

economic and social threat ahead of us and we frequently call it 'inflation'; and the other, represents the great, new, physical forces of destruction we face. We call it the atomic bomb.

Much to Think About

"In the first instance we have to think about more than the mere devaluation of our currency and in the second instance we have to think about more than the energy which the fission of uranium atoms or their derivatives produce. In the latter case we would have to include all the possible new projectiles which might carry atom bombs to our homes and industries and great biological and other scientific forces designed to expedite our destruction.

"I am not going to talk about economic and social threats though they are portentous enough to justify a full discussion before a group of this character. I will say a few words about the bomb and what it portends.

"Someone has said that no speaker today, no matter what his subject, can refrain from the temptation of making some reference to the atomic bomb. Certainly, in a talk on security I cannot refrain from some mention of the bomb, so I shall come back to it.

Intelligence Times Effort

"Whether we are talking about security from enemy attack or security in the shape of bread butter, education and decent living; whether we are talking about inflation or this terrible force that is wrapped up in all matter, the formula for security is the same. In both cases it is to be derived only from intelligence times effort. We all recognize this in our home and family management. At least all of those who are provident and who have a sense of responsibility, do. Without thought and effort in and around and for the home, the home loses its tone and finally disintegrates. And the society of which it is a part deteriorates by the measure of the number of homes that follow this process.

Impatient With Planners

"The appalling thing is that our national or international security is just as vital to our progress, yet there is no phase of our

Health, Wealth and Happiness

... are the words that express our sincere wishes for each and every Underwriter at the Cleveland Meeting of the National Association of Life Underwriters.

This first post-war Convention is a welcome event ... one that will enable each attending Underwriter to come away with something new and constructive.

The war years and, for that matter, any years, are alike in one respect—they are subject to *change*, and alert Underwriters keep their fingers on the public pulse. The ever-changing trend of public economy demands constant variation in underwriting techniques.

This past year, Ohio National representatives have organized a Field Advisory Board to study Field problems, to prepare in advance for future business trends, and to recommend methods whereby the Company may best assist the individual underwriter.

THE OHIO NATIONAL
LIFE INSURANCE COMPANY

CINCINNATI, OHIO



Announcing GREAT EASTERN MUTUAL LIFE INSURANCE COMPANY Denver, Colorado

Licensed V J Day 1—August 14, 1946

By the Insurance Department of the State of Colorado

An Old-Line Legal Reserve Stock Company

Organized without any Promotion Stock, or any Expense to its Stockholders

Capital \$100,000 Surplus \$100,000

Stockholders were paid 2.09% interest on their money deposited in escrow during the period of organization.

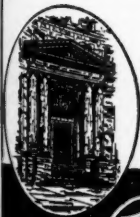
V. L. Tickner, President

GREETINGS to N. A. L. U. Members

We of Bankers Life of Nebraska are proud to have a part in an undertaking the objective of which is the security and protection of the American family.

Since 1887

"Building Family Security"



Bankers Life
INSURANCE COMPANY
OF NEBRASKA

national life to which we as citizens have in the past paid so little individual heed. Only when we have become frightened or enraged, as we were, for example, after the attack on Pearl Harbor, do we devote ourselves to the problem of such security. We then make tremendous demands on those whom we have theretofore rather ignored—namely, our professional military people. We lavish on them all manner of powers and materials and call on them to erect organizations the size and nature of which neither we nor they have ever been called upon to administer in times of peace. No tycoon of business among us has ever been called upon to direct the creation and equipment of an active and controlled organization which has grown from 100,000 odd men to 14 million in the course of two years. Nor have any of us been called upon to tear such an organization apart in the course of about six months. Yet, if in the course of building such an organization, directing it and the dissolving of it, the process is not smooth or free from irritations, we are prone to call those who are responsible for the planning, stupid or brass hatted, forgetting it is only ourselves that we are criticizing.

Obligations for National Security

"I do not mean to give a preparedness lecture today. There have been plenty of them in the past and they seem uniformly to have had little effect. I do hope to tell you, if I can, what I think your and my obligations are in the field of national security, without which day to day provision for our homes may become meaningless.

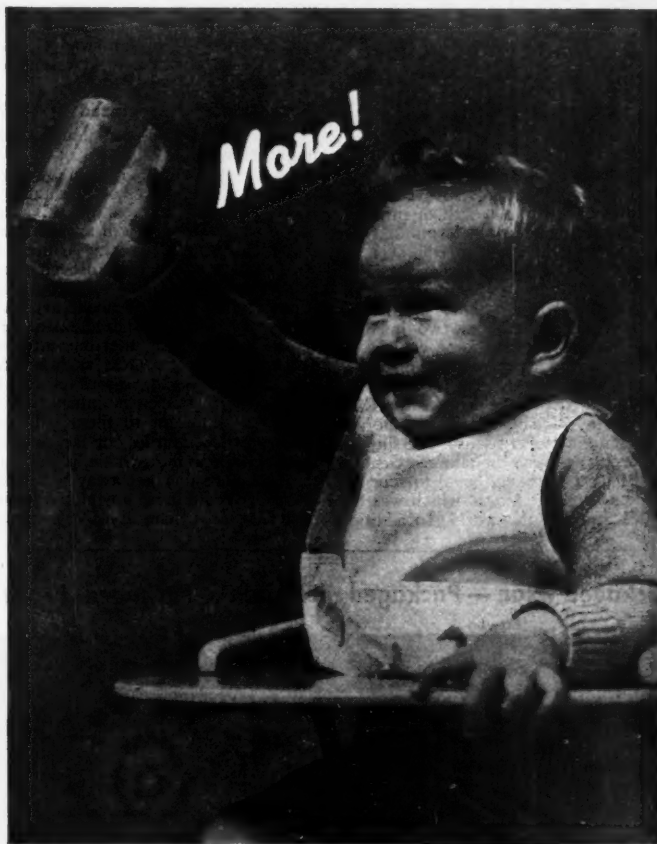
"The United States has assumed full grown manhood in a community which does not and cannot govern itself. Generally speaking, we have assumed no part in the management of the world community. For many years we sat on the sidelines and intervened only when from time to time we thought our interests were directly involved. Not feeling any responsibility, we indulged in the comfortable assumption that troubles of the world were largely the result of deplorable bungling or sinister dealings by people much less high-minded than ourselves. Our resultant logic was to keep away from it all, reply on the oceans and busy ourselves with our own affairs. Today, whatever may have been the process by which it came about, whether we like it or not, the problems of the world have been dumped in our lap. We are in the position today of the eldest son in the household after the death of the parents.

Walked Away from Our Proposal

"Twenty-nine years ago we were engaged in a great war. Our troops fought mainly in Europe and with their effective employment the war ended. That war was sufficiently destructive and brutal to impel men of good will and good sense, who were to be found in Europe as well as America, to strive by all means within their power to achieve the formation of a peaceful society. A scheme was devised, mainly by our own representatives, to accomplish this end and the representatives of the other powers were induced to accept it. We like to think that it was the cynical old world ministers who frustrated President Wilson, but these much maligned figures accepted at least three-fourths if not more of all that he proposed. Then walked away from our own proposal, subsequently blaming France and other nations because they did not adhere as much to the League of Nations as to their own sense of individual security. For 20 years we watched one crisis or episode in international relations after another pass by and with it a golden opportunity to institute collective action to check aggression. All we could and did offer was a combined policy of isolation, pacifism, disarmament and neutrality. At the end of the period we were at war again, and this time we suffered one million casualties. Our national debt increased from approximately 86 billion to 270 billion.

Results of Two Wars

"In each of the last two world wars it was our strength which was finally decisive but in the first world war, before that strength was fully applied, there were 10 million dead and in the war just concluded—the final figures are not yet in—somewhere around 20 million. During the war



May there always be milk in his glass and mush on the table.

BENEFICIAL LIFE
INSURANCE COMPANY

SALT LAKE CITY, UTAH

GEORGE ALBERT SMITH, President

LIFE INSURANCE SELLING A PROFESSION

Forty years ago no one would have called life insurance selling a profession.

It is therefore to the glory of the Life Underwriters' Associations that the work has been elevated to a professional basis.

One thing that has helped to this end is the annual conventions of the N. A. L. U.

May this convention be the "best ever."

THE SECURITY MUTUAL LIFE INSURANCE COMPANY
of LINCOLN, NEBRASKA

just finished, as I have said, we had 14 million men mobilized. We fought a war across the world. Our air forces were incomparably the greatest of them all. Our navy was so much greater than any possible enemy force which at the end could be brought to bear against it that this fortunate disparity was almost incongruous. Our men and our generals fought at least as brilliantly as any others. Our scientific developments matched all others. We catastrophically defeated one great empire, and for all practical purposes did it single-handedly; we were the core of the strength which defeated the other great enemy on the other side of the globe. Besides all this we shipped to our allies \$20 billion worth of military equipment which, judged in terms of what an armored division costs to equip, is the equivalent of about 578 armored divisions; and, in terms of what an infantry division costs, the equivalent of about 2,000 such divisions. We shipped about two hundred thousand fully fabricated motor vehicles to Britain in addition to many raw materials and spare parts. We shipped around three hundred thousand such vehicles to the Russians and with this shipment made the red army mobile in a modern sense. We shipped an air force to Great Britain as General Marshall has pointed out, equal to four air forces the size of our Ninth, which was the largest air force in the world. In addition

we shipped the equivalent of two such air forces to Russia. Besides this, we substantially helped to maintain the entire economy of England. We provided Russia with food, raw materials and power equipment which greatly bolstered her defense against the Nazis. I could go on describing the extent and contribution of our war effort but I think this is sufficient to give some concept of its scope.

Strength Not Recognized

"Yet with all this prodigious strength the might of which has yet to be fully recognized by the world or even by ourselves, not one of the aggressors hesitated an instant to plunge the world into this cataclysm of world war II through any consideration for the influence of the United States. Presidents Hoover and Roosevelt sent notes and personal messages to stay Hitler and Mussolini but our influence to avoid the war was just about nil. Indeed, in a very real sense it can be said that our utter lack of preparation for war was an inducement to war. Each of the aggressors felt that by our conduct and policies in international relations, which meant to them only pacifism and neutrality, and by our lack of means to fight within a measurable period of time, they could readily get away with the swag before we could bring any effective influence to bear against them. Even though they had

seen the spectacle of American intervention in world war I, they realized that it had taken us two years to become involved, another year fully to engage our troops and that we never succeeded in getting any of our own airplanes or artillery into the fight at all. Not only were the aggressors convinced that nothing effective could be done by us to stop their violence before they achieved their ends, but the smaller nations were likewise convinced that there was nothing that we could do to keep their countries from being overrun. This had a definite effect on their will to resist, for if victory is to come only after destruction and enslavement, fewer people are disposed to resist at the outset. I think that it is demonstrable that our ineffectiveness in international policy and in capacity to intervene promptly was a major factor in inducing both Japan and Germany to war as well as an encouragement to the development of their satellite strength.

Wars Have Left Their Mark

"This strength of ours, so effective when fully exerted, so ineffective when merely in doubtful prospect, cannot continue to stand these strains. Our exertions in the war just concluded, as well as in the first world war, have left their marks upon us. I have already mentioned our national debt. The burden of veteran benefits, interest charges and other obligations growing out of the wars will deeply affect the life of everyone here as well as the life of his progeny. Our national resources have been strained. Oil reserves within the United States have become severely limited. Our coal and ore beds have been materially depleted.

"In addition to material resources, we, as well as the world, have suffered great losses in moral values which required centuries of time, treasure and culture to build. In large areas of the most highly civilized section of the world cities have been destroyed or vastly damaged. When a city is bombed, the center of impact of the bombs is usually the center of the city and in the center of the city are usually situated the library, the museum, the opera house, the theatres and other similar institutions whose support is the product of centuries of effort.

"Each war that occurs extends the perimeter of destruction. England, susceptible only to zeppelin attacks in World War I, is now in easy projectile range and is probably more vulnerable than any other country to concentrated air and guided missile attack. Plans were found in Germany for projectiles which could take Pittsburgh under bombardment from Hamburg and today our scientists recognize that this will be feasible within a relatively few years.

Bomb Talk Is Tiresome

"I have indicated that it is becoming tiresome to talk about the bomb. But if the fact of the bomb at Hiroshima, Nagasaki and Bikini is not sufficiently convincing further potentialities of the bomb should be sufficient to startle the most sluggish-minded among us. The bomb dropped at Nagasaki, which was an "improvement" over the Hiroshima bomb (and it was substantially the same type bombs which were exploded at Bikini), was a very crude affair judged by the testimony of the men who made it. It is very crude compared to what they believe is possible by way of purely mechanical improvement. By devices which are comparable to those employed in improving the Nagasaki bomb over the Hiroshima bomb it is certainly possible substantially to increase the quantity of the fissionable material in the bomb.

"We talk today of the bomb in terms of the equivalent of twenty thousand tons of TNT. From firsthand information given to me by the scientists whose prophecies were uncannily perfect during the course of the war, there can be little doubt that within the next ten years, to be conservative, bombs of a size of the power equivalent of one hundred thousand to two hundred and fifty thousand tons of TNT can be made, something over ten times more powerful than the bomb dropped on Hiroshima. And if we can move to the other end of

the periodic table and utilize hydrogen in the generation of energy, we would have a bomb somewhere around one thousand times as powerful as the Nagasaki bomb. I have been told by scientists who are not mere theorists but who actually planned and made the bomb which was exploded in New Mexico that, given the same intensive effort which was employed during the war toward the production of that bomb, we were within two years time at the close of the war of producing a bomb of the hydrogen-helium type, i.e., a bomb of approximately one thousand times of the power of the present bombs. The rocket and jet propulsion and biological forces, all infinitely more effective than the general public has yet comprehended, can be added to atomic warfare and with them it does not require much imagination to understand how the rate of extermination on this planet can be increased.

First Bomb Was Crude

"All these are the potentialities of the bomb. If Bikini or anything else has caused any of you to feel that the bomb as we now have it was not so much after all—read Hersey's account of August 6 last year in a city on the other side of the world. This was the crudest type bomb of all. We do not use them any more. It is not efficient enough. It only laid waste one city and only killed instantly 80,000 people.

"It is weapons such as these which bring us within the deadly perimeter of destruction with a vengeance. But as much as the character of modern weapons, our very position in the world insures that we shall be well within this perimeter should we have another war.

"The center of gravity of the freedom loving nations of the world has moved west. Their reserves of strength lie in this continent. In the recent war Belgium and Holland stood frozen and inert before the threat of Nazi destruction. Their essential power and will to resist gone. How thin the economy and vigor of France had become was made painfully clear in the course of about one year. Even England reached her limit in what seemed to most of us a surprisingly short period. Hers was an enormous contribution. But fairly judged it was only enough to stave off defeat until help could come from further west. The reserves of energy and the springs of action of at least the Western Powers are located here, not in Europe. If another war should ensue I dare say it will never again be said by the isolationists that we are coming to the aid of England or some other country. It will be obvious that it is the strength of this country and its way of living which are the target for attack. It will be from the start that we shall be attacked, and it will be from the start that we shall have to function.

Are in the Middle

"Geographically, we lie between the great masses of the population of the world—those in Asia and those in Europe. In the rehabilitation of Europe and the impending revolution in Asia, there can and will be developed forces capable of vastly retarding or greatly advancing the progress of civilization. They are bound to sweep across our nation, and we shall not be able to stand neutral before them.

"There was a stage in the history of the world when a single small city, the limits of which could be reached in a half duct for the world, a course which still hours walk, determined a course of enlightenment us. What the city of Athens could do for the stimulation of thought and the love of beauty in the world, this great continent of ours surely ought to be able to match in the field of international affairs. But mere protestations of our desire for peace with spasmodic calls for disarmament conferences will not suffice for the foreign policy of a nation which is to play such a part. Our obligation if we are to survive, is to become an activist, not a pacifist, for peace. We must convince the world not only that we desire peace, but that we are in reality

Packaged Plan—Packaged Premium—Packaged Profits



A Life Package THAT WILL EVEN SELL BY TELEPHONE

Nothing equals it—for clientele appeal and quick, easy "closing"! This "Paymaster General" is such an unusual, full-benefit "Life Package" that it actually can be sold by telephone.

As its name denotes, it's a reliable "paymaster," for both the family and the insured. Packaged in a clean-cut, convincing, but simple-to-understand form, it's easy to present. Meets the family demands of a big percentage of prospects. And it's only one of a series of unique Columbus Mutual Packages designed to fit every purpose or purse. Write for sample portfolio and see how "package" selling can stimulate your income.

BENEFITS THIS "Paymaster" PACKAGE OFFERS



For Policyholder

A profit on his savings plus a choice of income plans during his later years.

For Family

A cash payment plus 3 years of income, plus special Christmas checks.

D. E. Ball, President

The COLUMBUS MUTUAL
LIFE INSURANCE COMPANY
Columbus 16, Ohio

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Must Prevent War

"The only way really to win an all-out war of the future is to prevent it, for such a war has become synonymous with suicide. Our war planners are reported, entirely reliably I believe, to have concluded that they see no satisfactory military defense to atomic warfare. They have been fair and intelligent enough to state their limitations. They have urged strong political action for peace. We need a sound military establishment and a sound political policy—both must be kept modern, well-planned, and well-designed for enforcing peace at no matter what distance from our shores. To-day and for some time past the doctrine has been preached that the capitalistic and democratic countries of the west constitute a menace to world peace. Such was the gist of Premier Stalin's speech of February last, and it was a seriously argued contention.

"He argued that the disruptive gyrations of our business and economic cycles created potentials of disorder and violence. These inevitably resulted in war, or so it was contended by Stalin. His thesis was that the dictated planning of the Soviet State only could maintain peace. This seems supremely anomalous to us in the light of the dictatorship history and particularly when peace is to be maintained by a NKVD or by any form of secret police oppression.

"But we cannot entirely ignore Stalin's charge. Western states have been plunged too frequently into war because of extreme economic nationalism. The world has suffered by what someone has called "runaway capitalism", and since what happens at home and how we govern ourselves at home directly affects what we do abroad, we must correct the evils of our domestic life if we are to be effective abroad. As vigorously as we repudiate the charge, we must be prepared to see, acknowledge, and remedy our ills. We possess and live by principles foreign

to the dictator state, principles which are far more popular judged in terms of human instinct than the dictator can afford to tolerate. If we vigorously adhere to these principles at home and abroad, they will finally prevail throughout the world, and they will induce peace. There is no threat to world peace if the principles of freedom, tolerance, and knowledge are also backed by strength.

Think for the Nation

"What does this all mean to the individual and to the family? It means, as I see it, that the individual must think and do as we would have the nation think and do.

"The individual must first of all be knowledgeable about the things which affect him, particularly of the forces which operate in his community. To be knowledgeable means to be tolerant. The individual must be alert to share in the and his interest must be measured by the redress of the wrongs done to others, importance of the principle involved, rather than the proximity of the wrong to his personal interest. He cannot judge the merits of such a controversy as some did the Nazi treatment of Czechoslovakia by its geographical 'remoteness.'

"The individual must be prepared to support by his service as well as by his money the maintenance of a sound military establishment representative of our strength and of our principles, and he must be prepared to have this power used as part of a united power for peace. The individual must recognize that his security does not lie solely in his own economic prosperity, but rather in the flow of trade and opportunities for profitable labor and service throughout the world community.

Must Believe in Democracy

"Above all we must believe in our democracy which is a belief in, as well as a knowledge of, human nature. The belief is that given knowledge and opportunity

Congratulations...

To the members of the National Association of Life Underwriters, on the occasion of their Fifty-seventh Annual Meeting, for their continuing and effective efforts in advancing the standards and scope of life insurance sales and service.

EQUITABLE LIFE OF IOWA

Founded 1867

HOME OFFICE

DES MOINES

From The South

GULF LIFE INSURANCE COMPANY

Sends You

CORDIAL GREETINGS

SEVERAL GULF LIFE OFFICERS AND EXECUTIVES ARE IN ATTENDANCE AND ARE PROFITING BY THE DISCUSSIONS, ENJOYING THE FELLOWSHIPS.

**GULF LIFE INSURANCE COMPANY
JACKSONVILLE, FLORIDA**

Why have ham Without eggs?

For a full stomach, ham and eggs make an ideal combination
For a full pocketbook, Life, Accident and Health go together.

Life agents with A-H in their kits are "going to town" today, because A-H is a profitable sideline for them. They make many sales without half trying, instead of having to say, "I don't have that."

The Field Force of the Great Northern Life is fortunate in having not only a full line of Life policies, but also a complete variety of disability coverages to fit all kinds of life situations.

☆ ☆ ☆

On October 1st we will inaugurate an additional service . . . the best Non-Can. A-H policy we know of. It will have many PLUS FEATURES. Guaranteed renewable to Age 65, it will be the answer for many Life men who shy away from selling cancellable Accident and Sickness Insurance.

For that extra equipment that gives the old one-two punch, look into A-H. Inquire of

Great Northern Life INSURANCE COMPANY

WISCONSIN CORPORATION

General Offices—110 South Dearborn Street
CHICAGO, 3



Home Office Building

GREETINGS

Members Of
The
N. A. L. U.

There is a reason for our outstanding record of progress.
A complete modern line of participating and non-participating adult and juvenile contracts to sell.

There are a few General Agency openings available for interested life underwriters who can qualify.

Operating in the States of

Utah, Idaho, Montana, Wyoming, Nevada, Oregon,
California, Colorado, Arizona and Washington.

PACIFIC NATIONAL LIFE ASSURANCE COMPANY

Home Office—Salt Lake City, Utah

RAY H. PETERSON
President

KENNETH W. CRING
Supt. of Agencies

Opportunity!

We have excellent openings in the following territories for General Agents and consistent producers:

Arizona	Kansas	Ohio
Illinois	Maryland	Oklahoma
Indiana	Missouri	Texas
Iowa	Nebraska	Virginia

District of Columbia

You will be especially interested in our Complete Coverage Package Plan. Also our unique Miracle Letter Lead system. And, above all else, in knowing how you can create \$1,000 in renewals the second year by averaging only three Package Plan sales weekly and how in five years you can have an income that will make you financially independent. Correspondence Confidential.

HUGH D. HART
Vice President and Director of Agencies

**ILLINOIS BANKERS LIFE
ASSURANCE COMPANY**
Monmouth, Illinois

the composite of human beings can do best by thinking and acting in an atmosphere of freedom. It means believing in all Americans and their welfare, not just our own special groups. It does not mean that all are always good, or that all are always right, but it does mean that in the end given opportunity and knowledge the composite instincts of free human beings will form the best basis for peaceful life.

"As we are as individuals so shall we be as a nation. We must do and be these things for our individual failures will mark our national destruction."

Have A Great Role

"We are now at a great crisis in human affairs, for forces have been let loose which can readily destroy us and the progress we have achieved through centuries of effort by almost a single night's bombardment. But in those same forces lie untold benefits for mankind. The emphasis on the destructive powers of this new and fundamental energy has caused us to lose sight of the benefits to mankind which can be unlocked by the application of these new forces. This great new power has within it benefits to mankind quite as spectacular as the destruction of cities and fleets. We are on the verge of understanding the characteristics of elements and forces which constitute the whole basis of energy. We are within touch of understanding and even applying the processes by which the sun gives this earth its very being. All life, all the things we eat, the things we use, are given their existence by this energy. How this energy is created and then transferred into things of benefit to mankind we are on the verge of not only comprehending but of putting into effect at least in some measure by our own efforts. The thrilling thing is that this nation has been in the forefront of this knowledge.

"Our role is a great one. We are the 'Prometheus' of the modern world. A

force as deadly and as beneficial to mankind as fire has been given to the world through us. The force was brought to utilizable form through the brains and activity of many men and women of diverse nationalities and backgrounds. But it was in the free climate of this country that their full opportunities were presented, and though many aspects of these forces were developed in other nations, certainly the most spectacular evidence of their nature it was given to us to disclose.

"We can say with Kipling's Explorer, 'It is God's present to the nation. Anybody might have found it, but his whisper came to us.' It is difficult to measure our responsibility, but it is one of the most exciting and uplifting challenges which has ever come to any nation and the challenge is thrown to every home.

"You who are here today are primarily concerned with security of the home. Through insurance you will be the means by which many individuals will achieve personal security. You and they will be engaged in a futile undertaking unless the same individuals that you seek to aid are themselves seeking to find the means of security for others. It is those whom you insure, those who plan and build for individual security, who hold the greatest stake in this endeavor. If the quest for security does not reach beyond the home, the home will be swept away by the greater flood. The insurance investment can only be sound if with each premium that is paid there is an investment made in terms of effort, thought, and service in a national policy to insure peace. I have spoken of impending doom and the thrill of untold progress. It will be the quality of the individual thought and effort as expressed in a free society which will throw the balance. It is your business to think and act in terms of the security of individuals and the family considering their state. I can imagine no group in this perturbed world whose responsibility is greater than yours."

PROOF O' THE PUDDING



"Q-V-S is the best contract for a Field Underwriter I have ever seen. With the high commission and life time renewal features, it is surprising that there should also be a bonus plan that guarantees extra pay to men who stay . . . for business that stays and for volume that increases."

J. M. WARRING,

Ass't Agency Manager, Spokane, Washington

**Q... quality
V... volume
S... service**

THE CAPITOL LIFE INSURANCE CO.

Clarence J. Daly, President
W. V. Woollen, Agency Vice President
Home Office—Denver 1, Colorado

Debit Men Now Making Big Strides

(Continued from page 7)

recommended that agents put a higher valuation on their prospects and as a rule of thumb insure them for five times their annual wage, and continue to hammer the need for life insurance service until adequate protection is bought.

"There are over 60 million social security accounts in effect and only about 1 per cent of the people know their benefits," he declared.

These accounts are worth from \$10,000 to \$20,000 each to the people who have them on the basis of a single premium annuity at 65. Unless this is pointed out to the prospect, he will never fully appreciate or understand social security; that is, that it was never intended to complete the job fully, but that the rest was for private thrift.

First Interviews With Woman

Mr. Ackiss said that many of his first interviews are with women because they most frequently make premium payments on debits. This also works well in families in higher income brackets. Women are the greatest buyers of all commodities and today are buying 60 per cent more life insurance than before the war, he said.

It is easy to talk to women about their prospective widowhood, he explained. If they do not appear concerned about their future, he asks them to call on a widow and get first hand information. He asks if there is a mortgage on the house and if it could be paid without sacrificing the husband's life insurance, if there are young children with educational needs. If the children are grown and working, he tells the mother to influence them in buying a policy at

younger ages while rates are lower.

Mr. Ackiss' program is to see as many people as possible every day. He tries never to go below 10 and does considerable cold canvassing.

"It is a chestnut to suggest that there is no substitute for hard work, but you know, if you roast a chestnut, you've got something. Our big problem today is with people who want to find a way to make a living without work. Few people, it seems, want to get in and dig and get the wheels of industry out of their mire. If we don't feel inclined to prospect, we don't have any prospects to sell and the result is no sales, and low earnings. Try straight canvassing for a day, just for the fun of it. It will keep up your wits, you will sleep well, and be thankful you are alive. Many successful salesman have learned that anything that keeps them driving will bring results."

Most of his work has been in the evening between six and nine or 10 p. m. This brings him into a home when a man's family is present and his responsibility facing him. In that position, Mr. Ackiss pointed out that the husband can't say of his wife, "Oh, she will get along." She knows better.

Human interest stories are another feature of his selling. He told the story of an interview with a man 50 years old, married, but who didn't believe in life insurance. Mr. Ackiss was stalemated, but when he unconsciously brought his hand down on the table in emphasis, he noticed a change of color in the man's face. He did it a second time and the man turned ashen. Then he realized that on the table top was an antique lamp that apparently was dearer to the prospect than his wife or his insurance needs. Mr. Ackiss brought his hand down even more firmly and the lamp vibrated and rattled. The prospect bought a \$5,000 policy. "Since then I have often wondered what it is that makes men buy," Mr. Ackiss stated.



W. T. GRANT
Chairman
J. C. HIGDON
President

THE SYMBOL of COMPLETE PROTECTION

- LIFE
- HEALTH
- HOSPITALIZATION
- ALL-WAYS
- ACCIDENT
- ANNUITIES
- GROUP
- REINSURANCE



Centrally Located
Serving the Nation
from Coast to Coast

BUSINESS MEN'S ASSURANCE COMPANY
KANSAS CITY 10, MISSOURI

THE VOLUNTEER STATE LIFE INSURANCE COMPANY

Founded 1903

★ ★

The Company with the Fieldman's Viewpoint

This fact is clearly reflected in our 1946 record.

Increase in paid business for the first seven months of 1946 over the first seven months of 1945.....67.3%

Net increase in insurance in force during the same period.....6.6%

★ ★

Life Insurance In Force in Excess of \$129,000,000

Assets in Excess of \$36,000,000

★ ★

Home Office

Chattanooga, Tennessee

CECIL WOODS
President

JOHN A. WITHERSPOON
V. P. and Director of Agencies

LINCOLN MUTUAL LIFE INSURANCE COMPANY

Special Opportunity

For men seeking agency opportunity with compensation contracts in

Nebraska, Kansas, Iowa, Colorado, Wyoming, Montana and Idaho.

1896 Fiftieth Anniversary 1946

H. J. Bamford, agency manager

Lincoln, Nebraska



**RELIANCE
LIFE INSURANCE
COMPANY OF PITTSBURGH**

**PERFECT
PROTECTION**

**THE RELIANCE MEETS EVERY BUYER'S
PREFERENCE BY ISSUING: HEALTH •
ACCIDENT • PARTICIPATING • NON-
PARTICIPATING • ANNUITIES •
NON-MEDICAL • SUB-STANDARD •
JUVENILE • RETIREMENT INCOME**

Salesmanship is really simple, he said. Agents create a desire and help a person recognize his needs, then fill it. The three fundamentals an agent needs to know are: what will the insurance do for the prospect's family; what will it do for him; and what will it cost him? Agents who realize that in the life insurance business they have a great responsibility and a great amount of service to perform, have already made a start on the road to success, he pointed out.

"The doctor may do his best to ease the last moments of the insured; the bright-eyed nurse will continue to say; 'You are all right, you are doing fine,' but without our efforts there will be little peace of mind," he concluded.

Manhattan Life Well Represented

Those from Manhattan Life attending the convention include: Vincent W. Edmondson, agency vice-president; Hermine R. Kuhn, home office field assistant; Elsie M. Matthews, general agent, Montclair, N. J.; Ruth M. Kelley of the Kelley-Baum general agency, Detroit; James G. Ranni, general agent in New York City; Grover C. Simpson, manager at Chicago, and Ray Warren, general agent, Cleveland.

Brown To Be Host

Walter H. Brown, manager ordinary department Prudential, Cleveland, will be host at a luncheon at the Statler on Thursday, to be attended by about 25. George H. Chace, 1st vice-president in charge of ordinary department, will be the guest of honor from the home office.

Northwestern National agents and company officials numbering about 40 held a dinner at the Hollenden Wednesday evening. President O. J. Arnold was in charge. Others from the home office in attendance were W. R. Jenkins, vice president; W. F. Grates, director of agencies; Carl A. Peterson, superintendent of agencies and Alan A. Kennedy, assistant to the president.

Tells of Prospecting, Sales Methods

(Continued from page 7)

circumstances he would call on the relatives, neighbors, and other people as a direct result of having paid a death claim.

One case where Mr. Myrick did use this method was a sequel to a sale he had made to one of the associates of the captain of a small coastwise vessel, one of his policyholders, when he was trying to see the captain. Only 25 days after the policy was issued, the new policyholder was accidentally drowned, leaving a wife and three small children. "As a direct result of this death claim," Mr. Myrick said, "quite a few of his neighbors and relatives became policy-owners of mine, and upon my first opportunity of calling on his co-workers, I sold 16 policies in short order."

Easy to Get Leads From Women

He has less difficulty securing leads from women than from men. "In most cases I have found that about all you have to do is to ask a few leading questions and they automatically supply the balance of the information," he said. "If you give the women the floor, you won't have much trouble."

He cited one case of a policyholder whose name had first been secured through the endless chain method, who has been furnishing him leads for several years. "In fact, when I get back home," he said, "I expect he will be able to furnish more names."

Mr. Myrick described in some detail his prospect files and the methods he uses in connection with them.

Acted as "Baby Sitter"

He described one unusual case where the prospect's name had been secured

TO
THE NATIONAL ASSOCIATION
OF LIFE UNDERWRITERS

THE
**BANKERS' MUTUAL LIFE
COMPANY**

FREEPORT, ILLINOIS
L. H. Engstrom, President

EXTENDS ITS HEARTIEST
ENDORSEMENT OF THE AIMS
AND PRINCIPLES GUIDING
YOUR ORGANIZATION

Organized 1907

Sell Complete Protection

North American Life agents are providing their policyholders with complete personal protection—Life—Accident—Health—Hospitalization—Lifetime Disability Coverage.

AGENCY OPENINGS IN

Calif., Ga., Ill., Ind., Kan., Mich.,
Mo., Neb., N. J., N. D., Ohio & Wis.

**NORTH AMERICAN LIFE
INSURANCE COMPANY**
OF CHICAGO

C. G. Ashbrook, Vice Pres.-Supt. of Agencies

North American Building, Chicago 3, Illinois

through a newspaper notice of the arrival of a daughter. On his first call the man was not at home but the information needed to qualify him as a prospect was secured from his wife and another interview arranged through her. That time he made the sale rather quickly and suggested that the prospect go to a doctor's office nearby for the medical examination. His wife was away and he said he had no one with whom to leave the baby. Mr. Myrick immediately volunteered to take over that job, and the examination was made.

In actual selling he has found the most successful way is to go directly to the home and interview the wife. "In so doing, it is possible to secure the information necessary to qualify the husband as a prospect; and in practically all cases you can readily determine to a very large extent the possibilities of making a sale. She can tell you his age, number of children, kind of work, and usually the approximate amount of insurance already in force, and many other details relative to the facts you should know before trying to proceed with the interview."

Specific Cases Cited

In one case where he had an interview at the prospect's home, with the wife participating, there was some reluctance about an immediate close and a suggestion that they were going to "think it over." Mr. Myrick said he would like to be sure that the prospect could qualify and suggested a medical examination. He agreed, and seemed to warm up to the idea, accompanying Mr. Myrick to the doctor's office. The result was a sale for \$20,000.

In another case, where a man already had a small policy and Mr. Myrick was trying to get him to buy additional insurance, it occurred to him that he was talking in too small amounts. He asked the prospect how much he was worth, and was told about \$65,000. Mr. Myrick then prepared a brief for a \$25,000 retirement income policy and closed the

case, with a check for \$906.20 annual premium.

Uses Written Proposals

He said his business is about 60% package selling and 40% simple programming. He uses briefs and written proposals, and exhibited the kind of brief which he has found to work best for him. He does not use any visual sales material.

He has found it very profitable in many cases to use his own policies. "I think this is a very good way to get over to your prospect the fact that you are at least sold on your product, and he can readily see that you are not asking him to do something that you are not willing to do in your own case and for your own family," he said.

Round Table Membership Valuable

Mr. Myrick considers that membership in the Million Dollar Round Table has helped him get business, and he urged all of his hearers to try to become members of the Round Table.

He does not use a long presentation. "My observation has been that the briefer you can make the presentation without unnecessary statements, the better for yourself and your prospect, especially in these times when most people are quite busy. If it becomes necessary for you to make a second call, you will be more welcome if he knows you are not going to spend the day with him."

Mr. Myrick usually plans his work the evening before or in the morning after he has seen the mail for the day, but rarely plans any farther than one or two days ahead. He has tried for quite a long time to average five selling interviews per day.

He has set for himself certain voluntary objectives, but "what I have tried to do from year to year has simply been to increase my production, and render more and better service."



Congratulations

N. A. L. U.

That day is gone when an agency manager handed his new man a ratebook and a fistful of applications and sent him out with a pat on the back to "write up" some business. That method has been replaced by the present system of careful selection and thorough training which has brought about the "career underwriter." Much of the credit for current high standards which obtain today in the agency end of this business may be laid at the door of the National Association of Life Underwriters. We congratulate this virile association on the occasion of its Fifty-Seventh Annual Convention at Cleveland.

WASHINGTON NATIONAL INSURANCE COMPANY

CHICAGO

Executive Offices: Evanston, Illinois

Congratulations

To the management of
THE NATIONAL ASSOCIATION
FOR THEIR VIRILE LEADERSHIP
IN THIS MOST IMPORTANT PERIOD IN THE
BUSINESS OF LIFE INSURANCE.

GUARANTEE MUTUAL LIFE

ORGANIZED 1901

A. B. OLSON, Vice Pres.

Omaha, Neb.



Columbian Mutual Life Tower

COVERING
ALABAMA
MISSISSIPPI
TENNESSE

AN

UNUSUALLY
DESIRABLE
GENERAL
AGENCY
NOW
AVAILABLE

Agents Say: "IT'S COLUMBIAN MUTUAL for LIFE"

COLUMBIAN MUTUAL LIFE INSURANCE COMPANY

MEMPHIS, TENNESSEE

Our Expansion Program has created

SOME UNUSUAL

AGENCY OPPORTUNITIES

in

ARIZONA, COLORADO, CALIFORNIA
KANSAS, TEXAS, MISSOURI
OKLAHOMA, NEBRASKA
MINNESOTA, MONTANA
IDAHO, IOWA, WYOMING
NORTH & SOUTH DAKOTA
WASHINGTON

New Business Volume is up at

POLICYHOLDER'S NATIONAL LIFE INSURANCE COMPANY

Sioux Falls

and

South Dakota

NATIONAL RESERVE LIFE INSURANCE CO.

Topeka, Kansas

— ASSOCIATED COMPANIES —

Dr. Huebner Submits Report on American Colleges Activities

The American College of Life Underwriters has made rapid recovery from the restrictions of wartime and indications are that a new high in candidates for C.L.U. examinations will be attained in 1947—the twentieth year of the College, according to the nineteenth annual report made by Dr. S. S. Huebner and Dr. David McCahan, dean of the college.

Dr. Huebner presented the report at the annual meeting and dinner of the board of trustees of the American College of Life Underwriters on Monday. Julian S. Myrick, Mutual Life of New York, New York City, chairman of the board of trustees of the college presided.

In 1946, 1365 candidates took examinations at 115 different educational institutions. There was at least one examination center in each of 43 states, the District of Columbia, Puerto Rico and Hawaii. Special examination arrangements were also made in Germany for a member of the armed forces of the United States.

A total of 1749 examinations was taken in 1946, as compared with 1262 in 1945 and 890 in 1944. Of this year's 1365 candidates, 845 or nearly two-thirds were awarded credit for all examinations they undertook. Of the 1749 examinations taken, 65.7 per cent were passed. Of these 125 passed all requirements for the C.L.U. designation. Six qualified for the Certificate of Proficiency. Five C.L.U.'s qualified for the certificate in life insurance agency management.

This year's examinations brought the total number who have completed the entire series of C.L.U. examinations to 2794. In addition, another 3765 have credit for the successful completion of

one or more examinations. Over 6500 candidates have thus demonstrated their knowledge in all or some of the fields covered by the C.L.U. program. It is estimated that a total of 13,000 life underwriters have undertaken the C.L.U. study program of the American College of Life Underwriters.

Favorable factors reported by Dr. Huebner as contributing to the favorable outlook are as follows:

- (1) Large number of holdover candidates.
- (2) Release of 700 or more C.L.U. candidates from the armed services.
- (3) Availability of returning veterans who have undertaken life insurance as a career, and encouragement by general agents and managers.
- (4) Encouragement and cooperation of the American Society of Chartered Life Underwriters in enrollment for C.L.U. studies.

During the year 1945-1946, 124 C.L.U. study groups were organized in 77 cities. Of these 16 were conducted under the auspices of a university or college.

Visits were made by the director of the educational advisory department to 57 cities in 26 states in the interest of organizing study groups. Officers of the American College and of the American Society of C.L.U. made many additional trips for educational and promotional purposes.

The educational publications department of the office of the Dean of the College has been unusually active, Dr. Huebner reported. Two major projects completed are the revision of the C.L.U. Study Supplements for the guidance of C.L.U. teachers and students, and the publication of a series of four monographs comprising a "refresher" course primarily for C.L.U.'s and C.L.U. candidates in or released from the armed services. The monographs have proved widely popular in the field of life underwriting as "refresher" material.

A Challenge Well Met

The Shenandoah Life Insurance Company is proud of its affiliation with the NALU that is successfully meeting the challenge to ever-higher standards of service in the Life Insurance Field. Shenandoah Life is certain that the NALU will continue to meet the challenge in the years ahead, and to this end pledges its support and active assistance.



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